

Freedom To Create. Spirit To Achieve.

Culture and Community Spirit

Annual Report
2008-09

Note to Readers:

Copies of the annual report are available on the website or by contacting:

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ISBN: 978-0-7785-8673-9

ISSN: 1920-3683

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Preface

Public Accounts, 2008-09

The Public Accounts of Alberta are prepared in accordance with the *Financial Administration Act* and the *Government Accountability Act*. The Public Accounts consist of the annual report of the Government of Alberta and the annual reports of each of the 24 ministries.

The annual report of the Government of Alberta released June 30, 2009 contains Ministers' accountability statements, the consolidated financial statements of the province and the *Measuring Up* report, which compares actual performance results to desired results set out in the government's business plan.

This annual report of the Ministry of Culture and Community Spirit contains the Minister's accountability statement, the audited consolidated financial statements of the Ministry and a comparison of actual performance results to desired results set out in the Ministry business plan. This Ministry annual report also includes:

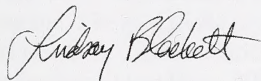
- the financial statements of entities making up the Ministry including the Department of Culture and Community Spirit, regulated funds and provincial agencies for which the Minister is responsible, and
- other financial information as required by the *Financial Administration Act* and *Government Accountability Act*, either as separate reports or as a part of the financial statements, to the extent that the Ministry has anything to report.

In prior years, the Office of the Auditor General applied specified procedures to all Ministry performance measures included in the annual report. In the current year the Office of the Auditor General conducted a limited assurance engagement (review) of a selection of performance measures that are identified in the annual reports as "Reviewed by Auditor General." The measures were selected for review by Ministry management based on the following criteria established by government:

- ensuring measures that best represent the goal and mandated initiatives;
- measures have well established methodology and reporting of data;
- measures have outcomes over which the government has a greater degree of influence; and
- each goal has at least one reviewed performance measure.

Minister's Accountability Statement

The Ministry's annual report for the year ended March 31, 2009 was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as at August 31, 2009 with material economic or fiscal implications of which I am aware have been considered in the preparation of this report.



Lindsay Blackett
Minister of Culture and Community Spirit

Preface

Minister's Acknowledgements

The first of the three pillars of the Alberta Health Services is the commitment to the people of Alberta.

The second pillar is the commitment to the people of Alberta.

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The fortieth pillar is the commitment to the people of Alberta.

Message from the Minister

2008-09 was the first year for the Ministry of Culture and Community Spirit. Fulfilling our mandate of supporting vibrant, inclusive communities and promoting, developing and preserving our province's culture, our Ministry provides a wide array of programs and services for Albertans. Despite the turbulent economic situation across the globe over the past months, our Ministry accomplished a great deal in helping to improve quality of life and build strong communities across Alberta.

Supporting Alberta's nonprofit/voluntary sector is essential in building strong communities. Last year was the first full year of the Community Spirit Program. The goal of the program is to help increase private charitable donations, and help recipient organizations contribute to their communities. Last year, 1,496 applications were approved to share in a total of \$19 million in grant funding. In addition, 2008-09 was the final year of the Major Community Facilities Program. In the last fiscal year, 149 grants totalling approximately \$161 million were approved for the Major Community Facilities Program. Although the program has ended, benefits like local employment will be seen for years to come.


Building on our province's cultural policy – *The Spirit of Alberta*, 11 inspiring Albertans were selected to champion and strengthen our province's cultural identity as members of the new Premier's Council on Arts and Culture. Members of the council act as a liaison between the cultural community and government. Funding to the Alberta Foundation for the Arts was increased by \$9 million in 2008-09, bringing its overall budget to \$36 million.

This past fiscal year also saw our province's first-ever Alberta Arts Day. Thousands of Albertans participated in over 100 events in almost 30 communities around the province. Nearly \$170,000 in scholarships and awards were handed out during the celebration. Building on the excitement and momentum of these festivities, Arts Day was expanded into a three-day celebration of the arts in 2009-10.

Alberta's museums and historic sites help to ensure our rich heritage is valued and preserved to enhance learning, research and tourism. This past fiscal year saw the repatriation and acquisition of the Sir Samuel Steele Collection – a valuable array of artefacts and documents from Major-General Sir Samuel Benfield Steele. Our province also designated eight new historic sites as Provincial Historic Resources.

Alberta is a province that appreciates and embraces diversity. Through the Alberta Human Rights and Citizenship Commission, our Ministry helps to protect human rights and promote fairness. In 2008-09, the Honourable David Blair Mason, Q.C. was appointed as the new Chief Commissioner of the Alberta Human Rights and Citizenship Commission. The Commission, along with the Human Rights, Citizenship and Multiculturalism Education Fund, supports the Alberta government's efforts to foster equality, promote fairness, and encourage the creation of inclusive workplaces and communities.

These are just a few examples of what our Ministry accomplished in 2008-09. The pages to follow will more specifically highlight these and many more accomplishments.



Lindsay Blackett
Minister of Culture and Community Spirit

Management's Responsibility for Reporting

The Ministry of Culture and Community Spirit includes the Department of Culture and Community Spirit and the agencies listed in the Ministry entities chart on page three.

The executives of the individual entities within the Ministry have the primary responsibility and accountability for the respective entities. Collectively, the executives ensure the Ministry complies with all relevant legislation, regulations and policies.

Ministry business plans, annual reports, performance results and the supporting management information are integral to the government's fiscal and business plans, annual report, quarterly reports and other financial and performance reporting.

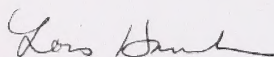
Responsibility for the integrity and objectivity of the consolidated financial statements and performance results for the Ministry rests with the Minister of Culture and Community Spirit. Under the direction of the Minister, I oversee the preparation of the Ministry's annual report, including consolidated financial statements and performance results. The consolidated financial statements and the performance results, of necessity, include amounts that are based on estimates and judgments. The consolidated financial statements are prepared in accordance with Canadian generally accepted accounting principles for the public sector as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants. The performance measures are prepared in accordance with the following criteria:

- Reliability – Information agrees with the underlying data and with the sources used to prepare it.
- Understandability and Comparability – Actual results are presented clearly and consistently with the stated methodology and presented on the same basis as targets and prior years' information.
- Completeness – Performance measures and targets match those included in Budget 2008. Actual results are presented for all measures.

As Deputy Minister, in addition to program responsibilities, I establish and maintain the Ministry's financial administration and reporting functions. The Ministry maintains systems of financial management and internal control which give consideration to costs, benefits, and risks that are designed to:

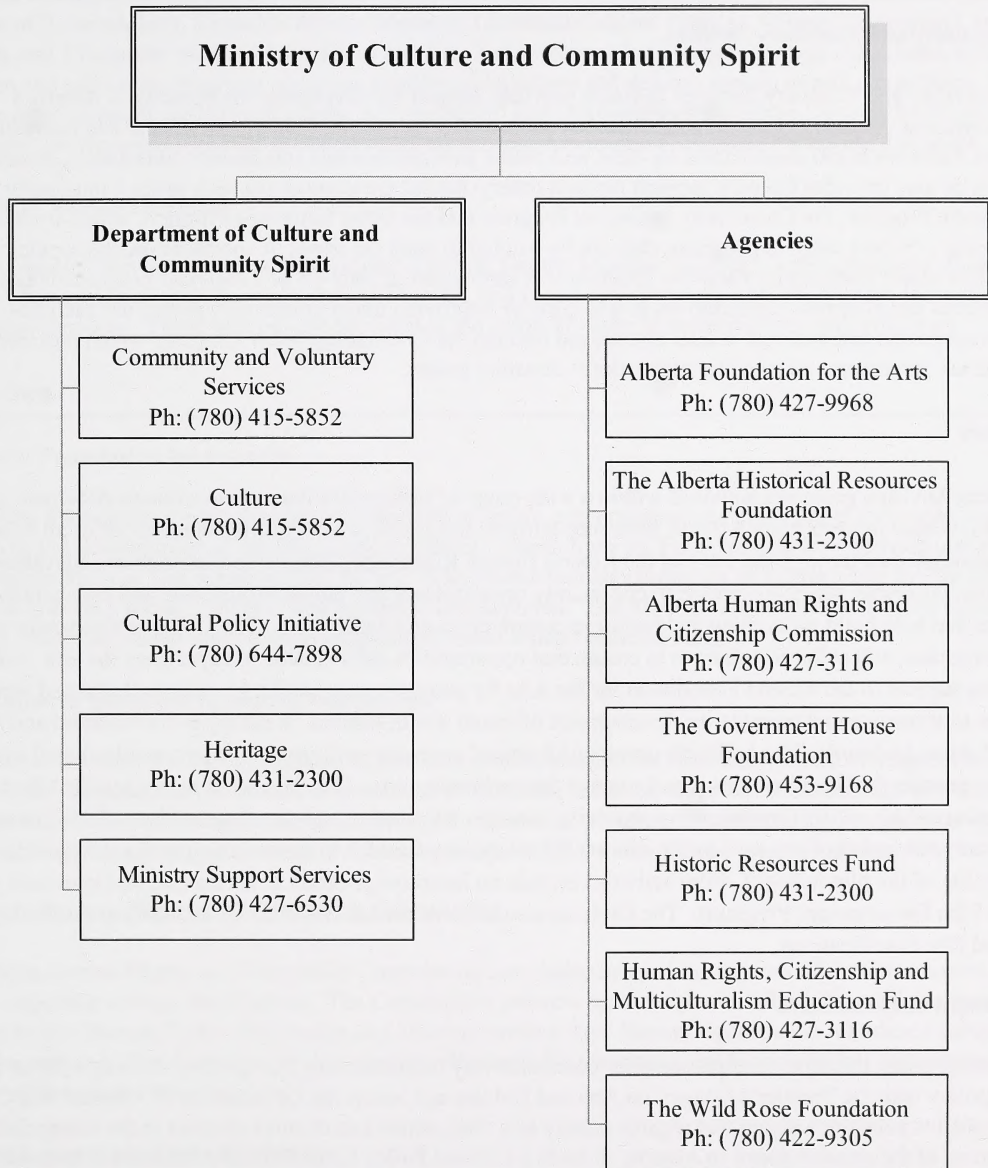
- provide reasonable assurance that transactions are properly authorized, executed in accordance with prescribed legislation and regulations, and properly recorded so as to maintain accountability of public money;
- provide information to manage and report on performance;
- safeguard the assets and properties of the province under Ministry administration;
- provide Executive Council, Treasury Board, the Minister of Finance and Enterprise and the Minister of Culture and Community Spirit any information needed to fulfill their responsibilities; and
- facilitate preparation of Ministry business plans and annual reports required under the *Government Accountability Act*.

In fulfilling my responsibilities for the Ministry, I have relied, as necessary, on the executive of the individual entities within the Ministry.



Lois Hawkins
Deputy Minister of Culture and Community Spirit
August 31, 2009

Overview



The following description of the Ministry's structure provides an overview of the range of programs and services available to Albertans.

The Department

1. Community and Voluntary Services

The Community and Voluntary Services Division provides support for developing the capacity of Alberta's communities and voluntary sector through financial support and leadership, training, awareness and recognition initiatives, facilitation and consultation services, and public participation and stakeholder consultation processes. The Division also provides financial support through lottery-funded grant programs such as the Community Facility Enhancement Program, the Community Initiatives Program and the Other Initiatives Program, which are integral in delivering a diverse range of programs that can be tailored to meet the needs of communities and special interest groups. The Major Community Facilities Program was introduced in 2007-08 as a two-year program to assist municipalities and nonprofit organizations in acquiring or improving major community public-use facilities. Charitable giving to nonprofits and charities is also encouraged through the Community Spirit Program, which promotes charitable tax incentives and provides proportional donation grants.

2. Culture

The Culture Division promotes activities within a wide range of community interests to enhance Albertans' quality of life. The Division protects human rights, promotes fairness and access, and supports the inclusion of all Albertans. This is accomplished through the work of the Alberta Human Rights and Citizenship Commission, education and information programs, financial support to community organizations and public institutions, and collaborative initiatives that help build welcoming and inclusive communities and workplaces. The Division also works with artists, arts organizations and cultural industries to ensure that opportunities are available to experience the arts. Additionally, it provides support to the Alberta Foundation for the Arts for grant programs and a growing collection of visual art that helps to showcase and promote the development of visual arts in Alberta. It manages the Northern and Southern Alberta Jubilee Auditoria. The Auditoria promote Albertans' access to performing and community-based events by providing premier facilities that attract and support the performing arts. The Division also houses the Alberta Film Commission, which assists filmmakers by providing location information and scouting services. The Commission collaborates with stakeholders such as the Alberta Film Advisory Council to guide strategies for the growth and sustainability of the film industry. Film activities include an incentive program to attract film and television production (Alberta Film Development Program). The Division also helps Albertans make informed viewing choices by providing provincial film classifications.

3. Cultural Policy Initiative

The Cultural Policy Initiative is responsible for collaboratively implementing *The Spirit of Alberta*, Alberta's cultural policy with the Premier's Council on Arts and Culture and across the Government of Alberta. The Cultural Policy Initiative supports a vision that regards culture as a vital, active and creative element in the comprehensive development of the creative sector in Alberta. It leads a Cultural Policy Cross-Ministry Assistant Deputy Minister Committee, with broad representation. Additionally, the Cultural Policy Initiative provides guidance, direction and advice in the development, implementation, communication and monitoring of initiatives that foster implementation of *The Spirit of Alberta*.

4. Heritage

The Heritage Division preserves, protects and presents Alberta's history and culture. The Division carries out its mandate by managing and promoting, in consultation and/or partnership with cooperating societies, a network of provincial heritage facilities that includes the Provincial Archives of Alberta, Royal Alberta Museum, Royal Tyrrell Museum of Palaeontology, Reynolds-Alberta Museum, Ukrainian Cultural Heritage Village, Remington Carriage Museum, and 14 historic sites and interpretive centres. It also maintains provincial heritage collections, delivers education and exhibition programs, develops exhibits and displays and delivers special events. In addition, the Division protects designated historic places, archaeological and palaeontological sites and historic buildings. Land-based development activities in the province are regulated to preserve significant historical resources.

5. Ministry Support Services

Ministry Support Services includes: the Minister's Office; Deputy Minister's Office; Communications; Human Resource Services; Financial Services; Policy, Planning and Legislative Services; and Information Management and Technology Services. These services are provided to the entire Ministry to optimize operating efficiency.

Agencies

1. Alberta Foundation for the Arts

The Alberta Foundation for the Arts provides funding to artists, arts organizations and cultural industries to encourage the growth and development of the arts sector in Alberta. Grants from the Foundation help to provide opportunities for public participation in, and enjoyment of, the arts. The Foundation also promotes an appreciation for the arts as being integral to Alberta's social, historical and economic development. The Alberta Foundation for the Arts collects visual artworks, which document the province's significant visual artistic achievements.

2. The Alberta Historical Resources Foundation

The Alberta Historical Resources Foundation provides grant assistance for community-based heritage initiatives across the province. These initiatives include conservation of historical buildings and main street heritage districts, as well as development of interpretive markers, publications and educational projects. In addition, the Foundation is responsible for the naming of geographical features in Alberta and supporting the activities of several heritage societies.

3. Alberta Human Rights and Citizenship Commission

The Alberta Human Rights and Citizenship Commission is an independent Commission of the Government of Alberta, reporting through the Minister. The Commission protects human rights in Alberta by resolving complaints made under the *Human Rights, Citizenship and Multiculturalism Act*. Human rights panels adjudicate complaints that cannot be resolved. The Commission also works to eliminate discrimination and barriers to full participation in society through education and other services.

4. The Government House Foundation

The Government House Foundation cares for and promotes the interests of Government House, the former home of the Lieutenant Governors of Alberta. The Foundation advises the Minister on the preservation of Government House as a historic site and building, and enhances the physical attributes of Government House, including its works of art and furnishings.

5. Historic Resources Fund

The purpose of the Historic Resources Fund is to protect, enhance, promote and display Alberta's historic resources. This is done through funding programs designated by the Lieutenant Governor in Council, and by promoting the use and development of related facilities.

6. Human Rights, Citizenship and Multiculturalism Education Fund

Funding provided through the Human Rights, Citizenship and Multiculturalism Education Fund supports community organizations and the Ministry in undertaking educational initiatives that eliminate discrimination and racism, and encourage the full participation of Albertans in all aspects of society. The Human Rights, Citizenship and Multiculturalism Education Fund Advisory Committee provides the Minister with advice on the use of the Education Fund, reviews grant applications and makes grant recommendations.

7. The Wild Rose Foundation

The Wild Rose Foundation supports Alberta's voluntary sector and promotes volunteerism through the provision of financial assistance, skills development and training, and recognition initiatives. The Foundation also provides grants to nonprofit organizations for projects in developing countries through the International Development Program.

Operational Overview

Many accomplishments in 2008-09 were realized through the commitment of engaged Albertans, communities and Ministry staff. Detailed accomplishments are provided in the Results Analysis section.

Vision

A superior quality of life that makes Alberta one of the best places to live, work and visit.

Mission

To promote, develop and preserve Alberta's culture and heritage in support of vibrant and inclusive communities.

Strategic Priorities

The strategic priorities described below have been identified through the Ministry's review of external and internal challenges. These are in addition to the important ongoing core activities of the Ministry and are of primary importance in focusing the Ministry on achieving its goals:

GOVERNMENT PILLAR: BUILDING OUR QUALITY OF LIFE

1. Build a Culturally Vibrant Province

Linkage: Goals 1, 2, 3, 4 and 5

2. Community Spirit Program

Linkage: Goal 3

3. Inclusive Communities

Linkage: Goal 5

4. Infrastructure

Linkage: Goals 3 and 4

GOVERNMENT PILLAR: CREATING AND PROTECTING OUR OPPORTUNITIES

5. Diversify the Economy through the Cultural Industries

Linkage: Goal 1

Core Businesses and Goals

The Ministry organizes delivery of its programs and services around the following four core businesses and five goals:

Core Business 1: Foster the sustainability and appreciation of Alberta's cultural industries and the arts

- Goal 1: Increased growth, sustainability and investment in Alberta's cultural industries, including film and television, sound recording and book and magazine publishing.
- Goal 2: Alberta is a culturally vibrant province with a thriving arts sector that is valued by Albertans.

Core Business 2: Support Alberta's communities and the nonprofit/voluntary sector

- Goal 3: Alberta is strengthened through support to communities and the nonprofit/voluntary sector.

Core Business 3: Promote and preserve Alberta's rich heritage

- Goal 4: Alberta's rich heritage is valued and the province's historical resources are preserved to enhance learning and research.

Core Business 4: Protect human rights, promote fairness and access, and support the inclusion of all Albertans

- Goal 5: Albertans participate in the social, economic and cultural life of the province without discrimination.

Link to the Government of Alberta Strategic Business Plan

Many Culture and Community Spirit programs support the broader goals of the Government of Alberta's Strategic Business Plan, and in particular, contribute to making Alberta the best place to live, work and visit. The following chart summarizes the Ministry's key support for the government's goals.

Government of Alberta Goals

Ministry Services

Goal 1: Alberta will have a prosperous economy

- Attracting and retaining knowledge workers by enhancing Alberta's reputation as a sophisticated, modern province with a thriving cultural sector in urban and rural Alberta.
- Growing Alberta's film and television production industry by marketing Alberta's production locations and financial incentives.
- Facilitating the development of the sound recording and book and magazine publishing industries.

Goal 7: Alberta will be a safe place to live, work and raise families

- Preventing discrimination and promoting the benefits of diversity and multiculturalism through developing policies, resolving and adjudicating human rights complaints and promoting understanding of Alberta's human rights legislation through awareness initiatives and educational resources and programs.
- Working with communities and organizations to help build inclusive and welcoming communities and workplaces for Albertans.

Goal 8: Albertans will have the opportunity to enjoy the province's natural, historical and cultural resources

- Supporting the nonprofit/voluntary sector, the arts, film, project-based community initiatives and public-use facilities.
- Implementing the Community Spirit Program to help increase charitable cash donations in Alberta.
- Operating a network of provincial heritage facilities and preserving cultural resources of significance to Alberta.
- Acquiring and preserving significant private and government records and making them available for research and interpretive purposes.

Financial Overview

RESULTS OF OPERATIONS

For the year ended March 31, 2009

(millions of dollars)

2008-09 Financial Analysis

	Budget	Actual	Difference	Explanation
Total Revenues	\$ 494.2	\$ 494.8	\$ 0.6	Increase in Transfers from the Government of Canada through the Building Canada Fund for the Art Gallery of Alberta and Heritage Park in Calgary, which was primarily offset by decreased lottery funding provided for the Horse Racing and Breeding Renewal Program and Bingo Associations based on revenues generated at related gaming facilities.
Expenses				
Operating	552.7	523.7	29.0	Decreased expenses primarily due to the Government of Canada terminating the selection process for the National Portrait Gallery, decreased funding for the Horse Racing and Breeding Renewal Program and Bingo Associations, and lapsed funding for capital maintenance and renewal of heritage infrastructure; these decreases were partially offset by increased funding for the Film Development Program and the Major Community Facilities Program.
Statutory	0.1	0.3	(0.2)	
Equipment/ Inventory Purchases	3.1	4.9	(1.8)	Increase primarily due to exhibit renewal in various historic sites, development of information technology systems, and general equipment purchases.
Capital Investment	-	0.6	(0.6)	One-time funding to address heritage infrastructure maintenance projects.
Total Expenses	\$ 555.9	\$ 529.5	\$ 26.4	

REVENUE HIGHLIGHTS

(millions of dollars)

Revenues

Revenues increased by \$95.2 million from the prior year and total \$494.8 million in 2008-09. The primary source of revenue consists of \$456.9 million in internal government transfers. This represents an increase of \$77.9 million over the prior year primarily related to transfers for one-time capital grants of \$40 million for the TELUS World of Science and \$40 million for the National Portrait Gallery offset by minor decreases.

Transfers from the Government of Canada were \$19.8 million, primarily for Building Canada Fund projects and the balance to further the goals of the Historic Places Initiative. This represents an increase of \$19.1 million from the prior year primarily related to the one-time funding from the Government of Canada's Building Canada Fund for the Art Gallery of Alberta in Edmonton and Heritage Park in Calgary.

The Ministry's funds and agencies generated \$1.5 million in investment income, which represents a decrease of \$0.3 million in interest earnings over the prior year. Premiums, fees and licences generated \$5.2 million and include admission fees to heritage facilities and film classification fees. Other revenue totals \$11.4 million and includes revenue from donations, contributions in-kind, sales, refunds of expenses and other miscellaneous revenues. This revenue reflected a decrease of \$1.4 million from the prior year primarily due to decreased donations.

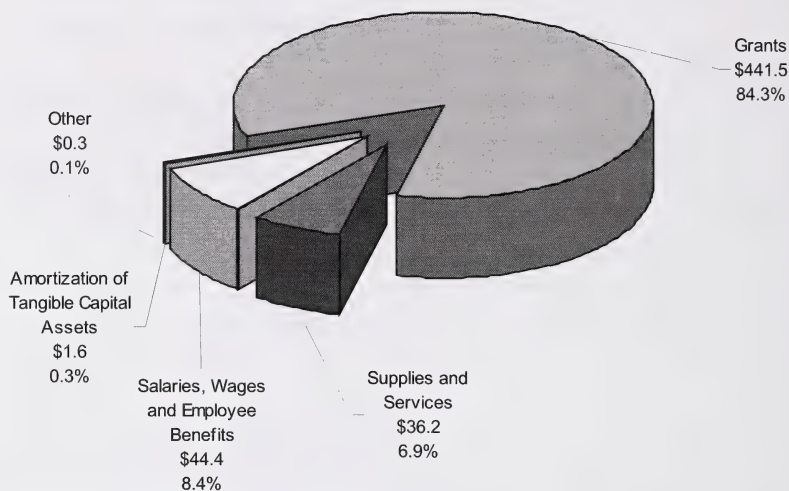
	2009		2008
	Budget	Actual	Actual
Internal Government Transfers	\$ 475.5	\$ 456.9	\$ 379.0
Transfers from the Government of Canada	0.5	19.8	0.7
Investment Income	2.0	1.5	1.8
Premiums, Fees and Licences	5.0	5.2	5.3
Other Revenue	11.2	11.4	12.8
Total Revenues	\$ 494.2	\$ 494.8	\$ 399.6

Expenses

OPERATING EXPENSE BY OBJECT

(millions of dollars)

Operating expense by object - \$524.0 million



The Ministry's greatest operating expense was grants, where 84 per cent of the budget is directed. Approximately \$441.5 million was awarded in 2008-09 to support individuals, organizations and communities. Expenditures for salaries, wages and employee benefits primarily to manage heritage facilities, support community groups, administer grant programs and adjudicate human rights cases totalled \$44.4 million. The remainder of the Ministry's expenses were for supplies and services (\$36.2 million), amortization of tangible capital assets (\$1.6 million) and other expenses (\$0.3 million).

CAPITAL INVESTMENT

In addition to the operating expenses identified in earlier sections, the Ministry also made a capital investment of \$0.6 million primarily related to capital maintenance and renewal of heritage infrastructure. As well, a further \$4.9 million was spent on equipment purchases primarily for exhibits in various historic sites, information technology, and general equipment purchases. Further financial information can be found in the Results Analysis section of this report.

Results Analysis

Message from the Deputy Minister

As a Ministry focused on providing a high quality of life for all Albertans, Culture and Community Spirit helps to preserve our heritage, support our culture and build strong communities. It was a busy year for this new Ministry, and through the hard work of staff across the province, much was accomplished.

Calgary hosted the 2008 JUNO Awards, which helped to showcase Alberta's unique culture and talented artists to the rest of Canada. Our Ministry provided funds to assist with the Alberta Country Music Salute Gala and an Aboriginal music showcase.

To help support Alberta's film and television industry, Culture and Community Spirit provided \$14 million in additional one-time funding to the Alberta Film Development Program. This funding helped to address a backlog of projects.

The made-in-Alberta film *Passchendaele* opened in 2008. More than 200 Albertans were employed as part of the crew. Filming took place in Calgary, Fort Macleod and on the Stoney Nation and Tsuu T'ina reserves. The last fiscal year also saw the *Film and Video Classification Act* receive Royal Assent. The Act will update and better define the role of the government in the regulation, classification and public exhibition of films in Alberta.

Across Alberta, historic sites and museums are our connection to the past. They also provide invaluable education opportunities for many people. This past year, the Royal Tyrrell Museum of Palaeontology was recognized with an award from the Canadian Museums Association for its distance learning program. Using technology and videoconferencing, the Museum delivered 475 programs to over 12,800 students throughout Alberta, Canada, the United States and beyond.

Recognizing the First Nations goal to maintain their history and traditions, our Ministry helped to create the *First Nations Sacred Ceremonial Objects Repatriation Amendment Act*, which received Royal Assent on November 4, 2008. This Act achieves the formal and legal repatriation of 15 long-term loans of sacred ceremonial objects between Alberta Blackfoot First Nations and the Royal Alberta Museum.

The Ministry's community investment programs help to fund projects that build strong communities. Benefits of programs like the Community Facility Enhancement Program, Community Initiatives Program, Other Initiatives Program and the Major Community Facilities Program will be seen for years to come. In 2008-09, 1,609 projects shared in approximately \$240 million in funding.

In 2008-09, 28 grants to nonprofit organizations totalling \$1.2 million were provided through the Human Rights, Citizenship and Multiculturalism Education Fund. The fund supports the Alberta government's efforts to foster equality, promote fairness and encourage the creation of inclusive workplaces and communities.

The Ministry's Community Development Branch contributed to the quality of life of Albertans by enhancing the capacity of over 600 community organizations, networks, and government entities. Community issues were addressed through the provision of customized consultations, facilitation services, training opportunities and assistance with public participation processes.



Lois Hawkins
Deputy Minister of Culture and Community Spirit
August 31, 2009

REVIEW ENGAGEMENT REPORT

To the Members of the Legislative Assembly

I have reviewed the performance measures identified as “Reviewed by Auditor General” included in the Ministry of Culture and Community Spirit’s *2008-09 Annual Report*. These performance measures are prepared based on the following criteria:

- Reliability – Information agrees with the underlying data and with sources used to prepare it.
- Understandability and Comparability – Actual results are presented clearly and consistently with the stated methodology and presented on the same basis as targets and prior years’ information.
- Completeness – performance measures and targets match those included in Budget 2008. Actual results are presented for all measures.

My review was made in accordance with Canadian generally accepted standards for review engagements and, accordingly, consisted primarily of enquiry, analytical procedures and discussion related to information supplied to me by the Ministry. My review was not designed to provide assurance on the relevance of these performance measures.

A review does not constitute an audit and, consequently, I do not express an audit opinion on these performance measures.

Based on my review, nothing has come to my attention that causes me to believe that the “Reviewed by Auditor General” performance measures in the Ministry’s *2008-09 Annual Report* are not, in all material respects, presented in accordance with the criteria of reliability, understandability, comparability, and completeness as described above. However, my review was not designed to provide assurance on the relevance of these performance measures.



FCA
Auditor General

Edmonton, Alberta
August 31, 2009

Integrated Results Analysis

This section compares planned to actual results in terms of both financial and business performance.

Operating Expense By Core Business (millions of dollars)

The following table outlines actual expenditures incurred in comparison to budgeted resources for achieving the objectives of each core business. Financial results for each of the Ministry's core businesses are also presented by goal and linked to the Ministry's success in achieving the related strategies and performance targets.

	2009		2008
	Budget	Actual	Actual
Fostering the sustainability and appreciation of Alberta's cultural industries and the arts	\$ 64.6	\$ 76.4	\$ 54.8
Supporting Alberta's communities and the non-profit/voluntary sector	418.3	383.0	332.0
Promoting and preserving Alberta's rich heritage	62.0	57.0	49.6
Protecting human rights, promoting fairness and access, and supporting the inclusion of all Albertans	7.9	7.6	7.0
Total Expense by Core Business	\$ 552.8	\$ 524.0	\$ 443.4

Expense By Function (millions of dollars)

Expense by function identifies the principal purpose for which an expense is incurred rather than the activity involved. This basis of reporting is used for inter-provincial comparisons and for determining federal funding eligibility.

The function "agriculture, resource management, and economic development" includes expenses related to the development and promotion of agriculture and other sectors of the economy, such as film development. The function "protection of persons and property" includes expenses for services provided specifically to ensure public interest objectives are achieved, such as human rights. The function "recreation and culture" includes expenses incurred in the delivery of programs and services to promote leisure activities.

	2009		2008
	Budget	Actual	Actual
Agriculture, Resource Management, and Economic Development	\$ 95.7	\$ 97.6	\$ 116.1
Protection of Persons and Property	7.9	7.6	7.0
Recreation and Culture	449.2	418.8	320.3
Total Expense by Function	\$ 552.8	\$ 524.0	\$ 443.4

Strategic Priorities

1. Build a Culturally Vibrant Province

To promote and support *The Spirit of Alberta*, Alberta's cultural policy, and its goals of access, capacity, excellence and cultural industries, the Premier and Minister announced 11 appointments to the Premier's Council on Arts and Culture. The Council held its inaugural meeting in December. Further support was provided by the Cross-Ministry Cultural Policy Assistant Deputy Minister's Committee, which reviewed and endorsed a 2008-11 Cross-Ministry Business Plan Roll-up of 160 culture-focused business plan strategies across 20 ministries.

The Ministry supported the Safe Communities Secretariat, a partnership of nine government ministries, to promote strong and vibrant communities and reduce crime so Albertans feel safe. To address factors that give rise to crime in our communities, the Ministry provided consultation and facilitation services as well as training to over 60 community organizations, municipalities and other ministries.

Affordable training opportunities were provided to nonprofit/voluntary sector representatives by delivering training to over 1,300 delegates at the Vitalize Provincial Voluntary Sector Conference. Other training opportunities included delivering workshops on effective volunteer screening techniques and Leadership Institute workshops to Alberta communities, as well as the training of 19 new volunteer instructors for the Board Development workshops.

Alberta artists were able to reach a broad national and international audience in February as they participated in the 2009 Cultural Olympiad alongside artists from every province and territory of Canada and five continents. In partnership with the Ministry of Tourism, Parks and Recreation and the Vancouver Organizing Committee for the 2010 Olympic and Paralympic Winter Games, the Ministry provided over \$1.6 million to the 2010 Cultural Olympiad.

2. Community Spirit Program

The Community Spirit Program was officially launched on April 30, 2008. The goal of this donor-driven program is to increase charitable giving to help support Alberta's nonprofit and charitable organizations. Small, medium and large nonprofit and charitable organizations from around the province benefit from this \$20 million grant program.

The Community Spirit Program consists of two components: the donation grant and the enhanced charitable tax credit. When combined with the federal tax credit, Albertans receive a 50-cent charitable tax credit for every dollar donated to a registered charity over the \$200 threshold. A number of education and awareness activities accompanied the launch of both program components.

3. Inclusive Communities

The Ministry provided input into the national strategic plan for the Coalition of Municipalities Against Racism and Discrimination. A Welcome and Inclusive Communities partnership was formed with the Alberta Urban Municipalities Association to assist communities in being welcoming and inclusive and to support municipalities that had joined the Coalition of Municipalities Against Racism and Discrimination. This is the only partnership with a provincial association of municipalities in Canada.

The Ministry explored ways to improve the coordination of responses to growth-related challenges in communities, especially as they relate to international migrants. Consultation and advice was provided to rural communities to help them build more inclusive communities as they continue to attract and retain immigrants and Canadian migrants. In partnership with human rights commissions across Canada, the Ministry led an initiative to develop an interactive

youth-oriented website to increase youth engagement and participation in human rights in recognition of the 60th anniversary of the Universal Declaration of Human Rights.

4. Infrastructure

Several projects began at the Royal Tyrrell Museum of Palaeontology including the installation of an elevator between its upper and lower display galleries and renovations of the Royal Tyrrell Museum Field Station. Upgrades were completed to the Triassic Giant and Discoveries Gallery exhibits and the preparation table and ball room.

The Frank Slide Interpretive Centre underwent a complete renewal of its exhibits, displays and all public areas within the building. Maintenance improvements at the Ukrainian Cultural Heritage Village included 15 historic buildings that were reroofed, while an additional building had its roof rethatched using traditional techniques. Also, the Plavin Homestead Provincial Historic Resource, in Peace River Country, had conservation work done to maintain its present condition.

The Ministry continued planning for renewal of the Royal Alberta Museum. A number of interim steps were taken to achieve the renewal vision; specifically, the Museum's feature exhibition gallery was fully renovated and upgrades were made to the Museum's Wild Alberta gallery to improve visitor orientation.

The Major Community Facilities Program provided approximately \$161 million in funding to 149 applicants to help municipalities and nonprofit organizations build, purchase, repair, upgrade, renovate or otherwise improve major community public-use facilities. In addition to the original \$140 million in funding, there were one-time increases of: \$2.5 million to support fibre installation for access to Alberta's SuperNet; \$500,000 to assist with the community component of a fire-damaged church in Whitecourt; and \$19 million through the Government of Canada's Building Canada Fund.

5. Diversify the Economy through the Cultural Industries

Two pilot projects for dramatic series production were successfully completed and were used to gather data on the effectiveness of the funding model being developed to attract and support the production of dramatic series and to assess the economic impact of dramatic series production. Increased funding support of approximately \$1.3 million was provided through operating grants from the Alberta Foundation for the Arts to sound recording and book and magazine publishing industries, which is almost double the amount from the previous year.

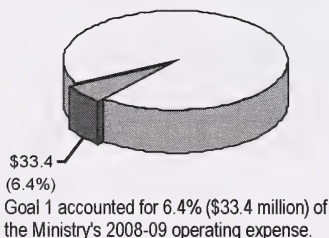
Consultations were held with representatives of book publishers, magazine publishers and music industry associations to review and examine best practices and delivery models in other jurisdictions, and to align industry and government efforts and explore options for a new funding model options. Consultations were also held with film and television industry stakeholders to review a new funding model. In addition, the existing program guidelines were revised to address the current production environment and to support the long-term sustainability and growth of Alberta's film, television and digital media sector.

Core Business 1

Foster the sustainability and appreciation of Alberta's cultural industries and the arts

Approximately 14.6 per cent (\$76.4 million) of the Ministry's operating expenses relate to core business one. This includes encouraging growth in cultural industries and promoting appreciation of the arts through the provision of grants and delivery of programs. In 2008-09, there were increased expenses of \$21.6 million, primarily related to additional funding of \$13 million for the Alberta Film Development Program, and \$9 million in increased funding for the Alberta Foundation for the Arts to support the implementation of Alberta's cultural policy, which were offset by minor decreases.

Operating Expenses Goal 1
(in millions)



Increased growth, sustainability and investment in Alberta's cultural industries, including film and television, sound recording and book and magazine publishing

Overview

The Ministry supports this goal on an ongoing basis by:

- Promoting and marketing Alberta's cultural industries.
- Communicating advancements in technology supporting Alberta's cultural industries to stakeholders and clients.
- Delivering training programs and "film friendly" workshops to Alberta communities to support and attract film and television production.
- Marketing Alberta's production expertise, locations and financial incentives to the local, national and international motion picture industry.
- Providing financial support and incentives to assist in the development of a strong Alberta production industry and improve Alberta's competitiveness in motion picture production and investment.
- Providing financial assistance through the Alberta Foundation for the Arts to support sound recording and book and magazine publishing in Alberta.

Results

To support the goals of *The Spirit of Alberta*, Alberta's cultural policy and the government's strategy of diversifying Alberta's economy through the cultural industries, the Ministry held consultations with representatives of Alberta's book publishers, magazine publishers and the music industry associations to align government and industry efforts and develop ways to increase industry capacity, sustainability and development. A broad sample of participants from all three sectors participated in comprehensive interviews for the Alberta Foundation for the Arts program evaluation. The Ministry completed the final year of a

STRATEGY 1.1

Collaborate with cultural industry stakeholders to align government and industry efforts and develop ways to increase industry capacity, sustainability and development.

STRATEGY 1.2

Complete two pilot projects, one domestic and one foreign, for dramatic series over a two-year period that will help determine a new funding model to better meet the needs of the film and television industry and attract more dramatic series to the province.

three-year evaluation of all Alberta Foundation for the Arts' grant programs. Recommendations arising from all evaluation activities will complete the evaluation process, which is guided by representatives from the arts community and the Ministry.

Two pilot projects for dramatic series production were successfully completed in 2008-09, the domestic series *Heartland* and the foreign series *Fear Itself*. These series were used to gather data on the effectiveness of the funding model being developed to attract and support the production of dramatic series and to assess the economic impact of dramatic series productions.

The success of these projects is especially beneficial to local production industries due to factors such as: ongoing and major cash infusion into local economies; continuity of high-level employment for local cast and crew; significant training opportunities for emerging talent; and international exposure with respect to tourism destinations and overall community profile. Dramatic series are also viewed as excellent vehicles for fostering growth of local production sectors' infrastructure by supporting service suppliers and facilities.

DID YOU KNOW?

Passchendaele, one of the most successful English-language Canadian films, received the Golden Reel Genie Award.



Filming scenes for the movie *Passchendaele* in Fort Macleod, Alberta.

STRATEGY 1.3

Develop a business case to identify alternative funding models supporting sustainability and growth of the film and television production industry.

The Ministry conducted research and consulted with industry in the development of an industry business case to support *The Spirit of Alberta's* cultural industries goal to explore and identify alternative funding models to enhance the sustainability and growth of Alberta's film, television and new media production industry. In addition to reviewing options for a new funding model, the existing program guidelines were reviewed and revised to address the current production environment and to ensure the long-term sustainability and growth of Alberta's film, television and digital media sector.

STRATEGY 1.4

Enhance financial support to the sound recording and book and magazine publishing industries, and examine program delivery options to ensure the best model is in place.

Increased funding support was provided to support the government's strategy to generate activity and investment in the cultural industries, including sound recording and book and magazine publishing, through targeted financial support. Increased funding support of approximately \$1.3 million was provided through operating grants from the Alberta Foundation for the Arts to sound recording and book and magazine publishing industries, which is almost double the amount from the previous year. Program options have been investigated through Ministry consultations with industry representatives. Additional research was conducted on program delivery models in other jurisdictions. Summaries of key findings were prepared and consultations will continue with the cultural industries sector to ensure a funding model unique to the needs of the sector is developed in Alberta.



Asani, a contemporary Aboriginal a cappella women's trio, was one of 17 Alberta artists and ensembles featured in the 2009 Cultural Olympiad, a multi-disciplinary program of arts and culture that highlights talent from across Canada and around the world leading up to the 2010 Olympic and Paralympic Winter Games.

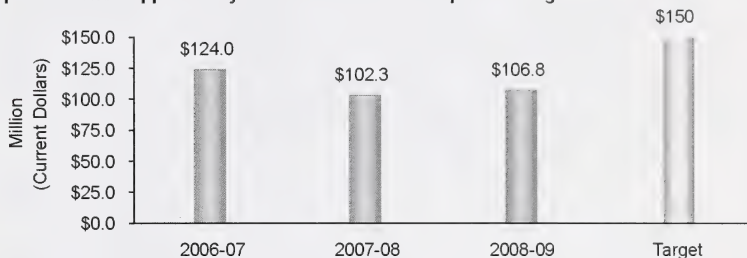
MEASURE 1.A

Dollars spent in Alberta as a result of film and television productions supported by the Alberta Film Development Program (\$million)

Results for 2006-07 to 2008-09 reviewed by the Auditor General.

Performance Measure

Dollars spent in Alberta as a result of film and television productions supported by the Alberta Film Development Program



Source: 2008-09 Alberta Film Development Program Production Reports

Description

This measure shows the total dollar expenditures in Alberta of all film productions supported by the Alberta Film Development Program.

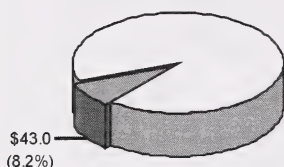
Results

In 2008-09, \$106.8 million was spent in Alberta as a result of film and television productions supported by the Alberta Film Development Program.

Analysis

Film and television production supported by the Alberta Film Development Program generated \$106.8 million in Alberta. This is \$43.2 million below the 2008-09 target. The economic slowdown throughout much of 2008-09 affected the results for 2008-09 and are also expected to impact the results for coming years. Influencing factors, beyond the control of the Ministry, can affect the program's ability to realize its set target for the value of film production in Alberta. External influences include the long lead times associated with film production and accountability reporting. For example, while the overall expenditures are reported for the fiscal year the production is completed, the project itself may take place over several years. Additional factors affecting results include the fluctuating Canadian dollar, the availability of funding to the film industry from other jurisdictions and private funding sources, and wide variations in the amount of activity associated with a particular production.

Operating Expenses Goal 2
(in millions)



Goal 2 accounted for 8.2% (\$43.0 million) of the Ministry's 2008-09 operating expense.

STRATEGY 2.1

Promote and support culture in Alberta by working with partners to implement *The Spirit of Alberta*, Alberta's cultural policy and establishing a Premier's Council on Arts and Culture.

Alberta is a culturally vibrant province with a thriving arts sector that is valued by Albertans

Overview

The Ministry supports this goal on an ongoing basis by:

- Promoting participation in, and fostering appreciation of, the arts through the Alberta Foundation for the Arts.
- Hosting international touring theatre companies and musicians and a wide variety of cultural and community events at the Northern and Southern Jubilee Auditoria.
- Preserving, maintaining and displaying Alberta's art collections.
- Classifying all films prior to public exhibition, and promoting Alberta's film rating system to encourage informed viewing.
- Licensing and regulating film distributors, and communicating classifications to movie theatres and media outlets.

Results

In 2008-09, several key initiatives were completed to promote and support *The Spirit of Alberta*, Alberta's cultural policy and its goals of access, capacity, excellence and cultural industries. On December 9, 2008 the Premier and Minister announced 11 appointments to the Premier's Council on Arts and Culture, from 275 applications received. The Council held its inaugural meeting in December.

An overarching three-year framework was developed for the cultural policy, and presented to the Premier by the Minister. The framework and strategies are augmented by the work of the Premier's Council on Arts and Culture and the Cultural Policy Cross-Ministry Assistant Deputy Minister Committee. Performance measures were drafted to measure progress on the implementation of the cultural policy.

The Cross-Ministry Cultural Policy Assistant Deputy Minister Committee reviewed and endorsed a 2008-11 Cross-Ministry Business Plan Roll-up of 160 culture-focused business plan strategies across 20 ministries. A cultural bundle encapsulating all known culture-related initiatives across the Government of Alberta was developed and made available on the government's Program and Services website (www.programs.alberta.ca/culture).

INTERESTING FACT

The first ever inventory on provincial cultural sites and facilities was created as part of the Culture Policy Initiative.



Premier Ed Stelmach and the Honourable Lindsay Blackett, Minister of Culture and Community Spirit welcome the 11 inspiring Albertans selected to champion and strengthen the province's cultural identity as members of the new Premier's Council on Arts and Culture. Each member brought an artefact/item that personally resonated with them and their cultural experiences.

STRATEGY 2.2

Profile Alberta's culture by supporting the participation of Alberta artists in the 2010 Cultural Olympiad celebrations.

DID YOU KNOW?

There were 17 artists and ensembles featured in the 2009 Cultural Olympiad.

To support the building of a culturally vibrant province, opportunities were provided for Alberta's artists to showcase their talents at special events nationally and internationally. The Ministry provided leadership on the national Cultural Olympiad Working Group to support Alberta artist participation in the Cultural Olympiad program and the National Presentation and Touring Program. The National Presentation and Touring Program is a partnership between the Vancouver Organizing Committee, the arts community and the federal, provincial and territorial ministries responsible for culture and their arts funding agencies. The partnership created opportunities to maximize exposure of Alberta talent at the 2009 Cultural Olympiad, a precursor to the cultural component of the 2010 Olympic and Paralympic Winter Games.

Alberta artists were able to reach a broad national and international audience in February as they participated in the 2009 Cultural Olympiad alongside artists from every province and territory of Canada and five continents. In 2008-09, the Ministry provided over \$1.6 million to support the Cultural Olympiad and partnered with the Ministry of Tourism, Parks and Recreation and the Vancouver Organizing Committee for the 2010 Olympic and Paralympic Winter Games.

STRATEGY 2.3

Work with clients and stakeholders to foster sustainability of the arts by improving key programs and services.

The research components of the Ministry's three-year Alberta Foundation for the Arts Program Evaluation process were completed in February 2009. Nearly 2,000 Alberta Foundation for the Arts stakeholders expressed their views on the programs and services in interviews, focus groups and surveys. Recommendations were then made to the Alberta Foundation for the Arts Board by the Program Evaluation Steering Committee (comprised of Ministry staff, members of the arts community and the Alberta Foundation for the Arts Board). A final report was prepared for the Minister that outlines how Alberta Foundation for the Arts programs and services can be improved.

The inaugural Arts Day was successfully launched on September 6, 2008 with thousands of Albertans taking part in more than 100 events in 30 communities across the province. As part of the event, \$170,000 in awards and scholarships were presented at the evening gala at the Southern Alberta Jubilee Auditorium. In 2009, Alberta Arts Day was expanded to three days, September 18-20. Plans were developed to ensure greater participation in Alberta Arts Days 2009 by increasing the scope to include heritage, increasing participation through libraries and schools, and focusing on a greater online presence.

Research and planning was undertaken to take full advantage of Jubilee Auditoria resources and to gain operational efficiencies. Following the amalgamation of the management structure for the Northern and Southern Jubilee Auditoria, a series of research studies involving feedback from key stakeholders and target audiences were completed and formed the basis of a two-year marketing and communication plan. The plan will be finalized and implemented in 2009-10. Considerable work was also completed on a master plan that addresses capital maintenance and expansion priorities for the Auditoria.

STRATEGY 2.4

Improve access to public art collections through the Travelling Exhibition and the Art Placement Programs.

To ensure that Albertans have access to a wide range of cultural experiences and opportunities as outlined in the cultural policy's goal of access, Ministry staff worked with community partners to increase the profile of the Alberta Foundation for the Arts Travelling Exhibition events through improved marketing efforts in 2008-09. The mandate of the Alberta Foundation for the Arts Travelling Exhibition program is to provide every Albertan with the opportunity to enjoy visual art exhibitions in their community. Over 100 rural community venues hosted exhibits of artwork from the Alberta Foundation for the Arts Collection, which features the work of Alberta artists. Curatorial support and educational materials were also provided in consultation with Ministry staff. Artwork from the Alberta Foundation for the Arts Collection continued to be photographed and made available online.

STRATEGY 2.5

Review and update Alberta's film and video legislation to ensure it reflects current culture and technology.

The Film and Video Classification Act replaced one of Alberta's oldest pieces of legislation when it received Royal Assent in December 2008. The new legislation updates the definition of film, streamlines administrative processes and revokes all powers of film censorship from the government. Furthermore, plans for regulation consultation, communication and implementation were created and approved in the spring of 2009.

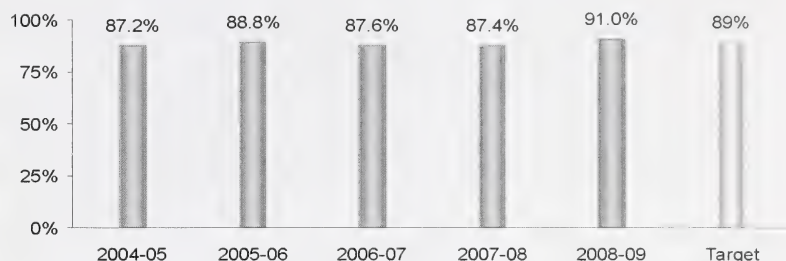
MEASURE 2.A

Participation in arts activities or events by adult Albertans

**Results for 2004-05 to 2008-09
reviewed by the Auditor General.**

DID YOU KNOW?

Over 110 rural Albertan communities hosted 189 venues for the Alberta Foundation of the Arts Travelling Exhibition program.

Performance Measure**Participation in arts activities or events by adult Albertans**

Source: Culture and Community Spirit Survey of Albertans

Description

This measure provides a general indicator of adult Albertans' participation, including attendance, in arts activities and events.

Results

In 2008-09, 91.0 per cent of adult Albertans participated in arts activities or events.

Analysis

The percentage of adult Albertans who attended or participated in arts activities or events exceeded the target of 89 per cent and is at its highest level (91 per cent) since the performance measure was first introduced. The range of arts activities and events included in the survey is large and includes many areas. Albertans' decisions to attend and participate in arts events are influenced by many factors – including the wide array of entertainment options available, disposable income and consumer confidence, personal and employment commitments and the ability of arts events to attract audiences. The Ministry contributed to the success of the measure through increased activity, investment and promotion of arts and culture. Alberta Foundation for the Arts funding levels were at their highest historical level with an additional injection of \$9 million. Implementation of Alberta's cultural policy, *The Spirit of Alberta*, continued and the Premier's Council on Arts and Culture was created to focus on ensuring that all Albertans have access to culture and that our cultural professionals and industries can thrive. Participation in the arts was further supported through the inaugural Arts Day and by profiling Alberta artists at celebrations leading up to the 2010 Olympic and Paralympic Winter Games.

DID YOU KNOW?

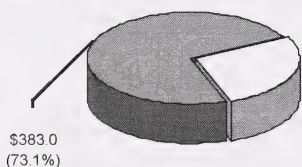
Over 250 schools in Alberta have an artist in residency to work with staff and students.

Core Business 2

Support Alberta's communities and the nonprofit/voluntary sector

In 2008-09, 73.1 per cent (\$383 million) of the Ministry's operating expenses were related to core business two. This core business focuses on enhancing community capacity through the provision of grants and program delivery. There were increased expenses of \$51 million in 2008-09. This was primarily related to an additional one-time \$40 million capital grant to support the TELUS World of Science, \$20 million for the initial year of the Community Spirit Program, \$19 million made available through the Government of Canada's Building Canada Fund for two projects (the Art Gallery of Alberta in Edmonton at \$10 million and Heritage Park in Calgary at \$9 million), \$2.5 million for SuperNet access in Olds region and \$500,000 to assist with the community component of a fire-damaged church in Whitecourt. These increases were partially offset by decreased expenses for the one-time assistance provided in 2007-08 of \$30 million for capital upgrades to Edmonton Northlands and the Calgary Exhibition and Stampede.

Operating Expenses Goal 3
(in millions)



Goal 3 accounted for 73.1% (\$383.0 million) of the Ministry's 2008-09 operating expense.

Alberta is strengthened through support to communities and the nonprofit/voluntary sector

Overview

The Ministry supports this goal on an ongoing basis by:

- Recognizing, promoting and providing financial support and training to the nonprofit/voluntary sector through the Wild Rose Foundation.
- Delivering the Board Development Program to support enhanced capacity within the nonprofit/voluntary sector.
- Providing community organizations and municipalities with consultative, training and facilitation services to support increased coordination and capacity.
- Supporting Alberta's community organizations and public-use facilities through programs and grants (e.g., Community Facility Enhancement Program, Other Initiatives Program, Community Initiatives Program).

Results

The Community Spirit Program was officially launched on April 30, 2008. The goal of this donor-driven program is to increase charitable giving to help support Alberta's nonprofit and charitable organizations. During the first year of the program, 1,496 applications were approved to share in a total of \$19 million in

STRATEGY 3.1

Implement a Community Spirit Donation Grant Program that provides proportional matching grants to eligible nonprofit and charitable organizations.

STRATEGY 3.2

Implement an education and awareness program for the enhanced charitable tax credit and the donation grant program.

STRATEGY 3.3

Provide funding for the planning, upgrading and development of community-use facilities through programs such as the Major Community Facilities Program.

DID YOU KNOW?

The Community Development Branch offers customized services that enhance the capacity of community leaders, organizations, communities, networks and government to achieve their goals, address issues and make a positive contribution to the lives of Albertans. Visit www.culture.alberta.ca/communitydevelopment for further information.

grants. Grants can be used to support an organization's operations, programs and/or capital projects.

All approved applicants had up to the first \$10,000 of their eligible cash donations matched dollar for dollar. Individual cash donations between \$10,001 and \$25,000 were matched at a rate of 50 per cent and donations over \$25,000 were matched at a rate of 22.67 per cent. Small, medium and large nonprofit and charitable organizations from around the province such as Camp Health, Hope and Happiness near Stony Plain, the Central Alberta Theatre Society in Red Deer and the 4-H Foundation of Alberta benefited from this grant program.

The Community Spirit Program consists of two components: the donation grant and the enhanced charitable tax credit. When combined with the federal tax credit, Albertans receive a 50-cent charitable tax credit for every dollar donated to a registered charity over the \$200 threshold. A number of education and awareness activities accompanied the launch of both program components. The Ministry completed two mail-outs to over 19,000 nonprofit and charitable organizations. Information sessions were held across the province to promote the program, a resource toolkit was launched to assist stakeholders and the program was promoted through media sources such as newspaper, radio ads and web-based advertising. Throughout the year, Ministry staff collaborated with the voluntary sector to share information about the program as well.

In the second year of a two year term, the Major Community Facilities Program continued to provide funding to help municipalities and nonprofit organizations build, purchase, repair, upgrade, renovate or otherwise improve major community public-use facilities. The Major Community Facilities Program was budgeted to provide \$280 million over two years. In addition to the original funding, there were one-time increases of: \$2.5 million to support fibre installation for access to Alberta's SuperNet, (a cross-ministry initiative with the ministries of Advanced Education and Technology, Infrastructure, Transportation, and Service Alberta); \$500,000 to assist with the community component of a fire-damaged church in Whitecourt (funded through the Ministry of Infrastructure's Capital Emerging Project Fund); and \$19 million through the Government of Canada's Building Canada Fund of which \$10 million went to support the Art Gallery of Alberta in Edmonton and \$9 million went to support the Heritage Park in Calgary.

In 2008-09, 149 applications were approved through the Major Community Facilities Program for a total of approximately \$161 million. Funded projects include: \$1.6 million to the Hospice Calgary Society for an Outreach and Education Centre, \$475,000 for the Ellerslie Crossing Community Park in Edmonton and \$1 million to the Town of Raymond for the Outdoor Aquatic Park.

STRATEGY 3.4

Evaluate current practices for the management and administration of grant programs and develop solutions focused on improving client service and ensuring consistency, transparency and efficiency.

To improve the way all Ministry grant applications are processed and managed, the Ministry initiated a project to develop and implement a new automated grant system. The new system will enable grant applicants to submit and check on the status of their applications through an online system. Ministry staff will use the same system to review, make recommendations and process payments for approved grant applications. The common components of the system that will be used to support multiple grant programs were developed in 2008-09. The new Community Spirit Donation Grant was the first to use the system to produce payments. In 2009-10, organizations will be able to submit applications for the lottery-funded grant programs using the new online system, and plans are underway to make additional grant programs available online in the future.

STRATEGY 3.5

Support Alberta's nonprofit/voluntary sector by implementing province-wide training opportunities.

The Ministry provided training opportunities that allow nonprofit/voluntary sector representatives the opportunity to access affordable skill development that is customized to their unique needs. In 2008-09, the Ministry delivered training to over 1,300 delegates at the Vitalize Provincial Voluntary Sector Conference including 151 participants in the youth mentor program, which encourages community involvement among Alberta youth.

Workshops on effective volunteer screening techniques were delivered for nonprofit sector representatives in eight communities involving almost 200 participants. Nine Leadership Institute workshops were also delivered in Alberta communities to approximately 225 participants. The Leadership Institute workshops provide current and emerging leaders in nonprofit organizations with training on local subjects in the voluntary sector. The Ministry partnered with the Alberta Library Trustees Association to develop an online training module that helps new board members and library trustees to strengthen their governance skills. The Ministry helped to train 19 volunteers as instructors who now facilitate Board Development workshops for nonprofit organizations.



Delegates arrive for Vitalize, Alberta's one-of-a-kind annual provincial voluntary sector conference.

STRATEGY 3.6

Work with the nonprofit/voluntary sector in a collaborative process to build organizational capacity and address challenges faced by the sector.

The Alberta Nonprofit/Voluntary Sector Initiative Collaboration Committee, co-chaired by the Ministry and the nonprofit/voluntary sector, created their collective strategic plan, delivered the first phase of their communications plan and refined their working relationship. Alberta NonProfit/Voluntary Sector Initiative projects include: funding for police information checks for volunteers serving vulnerable populations; studying the effect of the current

CLIENT FEEDBACK

"The help was certainly needed, valuable and appreciated. It's great that these type of services are available to not-for-profits. The Community Development Officer was very helpful and a pleasure to deal with."

- Participant at a strategic planning workshop for a community organization

economic downturn on the sector's ability to deliver programs; and developing a database of Alberta's nonprofit/voluntary sector organizations and their interaction with provincial government departments. Mutual understanding between government and the sector was increased through discussions on implementing the Nonprofit/Voluntary Sector Workforce Strategy, including the identification of challenges and opportunities in government supporting the sector's human resources challenges.

The Ministry worked with over 600 rural and urban community organizations, municipalities and other ministries to meet their goals and to address community issues on over 800 projects. This work was done through neutral facilitation of various meetings and public/stakeholder consultations, organizational development and training. More than 1,000 consultations and workshops were held with more than 16,000 participants.

Funding was provided to 129 Alberta communities to promote the importance of volunteers during National Volunteer Week. Approximately \$4.7 million was provided to 110 nonprofit/voluntary sector organizations through the Quarterly Grants Program for registered human service and nonprofit organizations to develop and enhance their organizational capacity. Another \$720,000 in funding was provided to nine Alberta nonprofit/voluntary sector organizations through the Modified Voluntary Sector Advancement Program.

Funding for 85 projects was approved through the International Development Program. In total, approximately \$1.6 million was approved for 74 non-government organizations in 44 developing countries to improve social and economic conditions. This includes emergency disaster relief projects for cyclone relief in Burma (also known as Myanmar) and earthquake relief in China.

STRATEGY 3.7

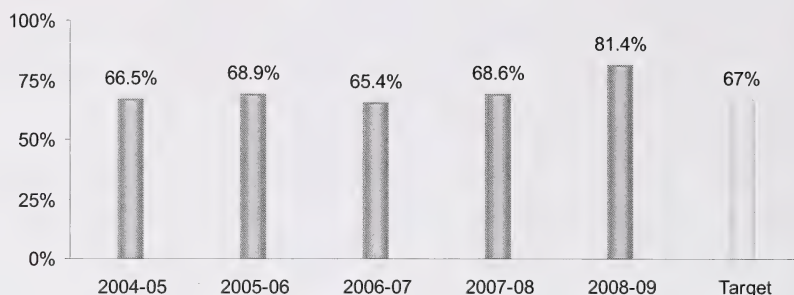
Work with the Ministry of Justice to promote strong and vibrant communities and reduce crime so Albertans feel safe.

The Ministry supported the Safe Communities Secretariat, a partnership of nine government ministries, to promote strong and vibrant communities and reduce crime so Albertans feel safe. This included facilitation of a strategic planning workshop for the Secretariat, providing advice on proposals that address recommendations from the Crime Reduction and Safe Communities Task Force, and reviewing funding applications for the Safe Communities Innovation Fund. The Ministry also held proposal writing workshops and developed resources and materials to assist organizations applying to the Safe Communities Innovation Fund.

To address factors that give rise to crime in our communities, the Ministry provided consultation and facilitation services as well as training to over 60 community organizations, municipalities and other ministries. The range of services included strategic planning sessions for the Domestic Relationship Violence Initiative Committee and the Fort Macleod Crime Prevention Advisory Committee, a teambuilding workshop for the Odyssey House Women's Shelter, and facilitation and planning assistance for the Alberta Alcohol and Drug Abuse Commission's Coalitions Connect Conference 2008.

MEASURE 3.A

Level of community volunteerism by adult Albertans

Performance Measures**Level of community volunteerism by adult Albertans**

Source: Culture and Community Spirit Survey of Albertans

Description

To assist in measuring community volunteerism, this measure represents the percentage of adult Albertans who volunteered in the past 12 months.

Results

In 2008-09, 81.4 per cent of adult Albertans reported that they volunteered.

Analysis

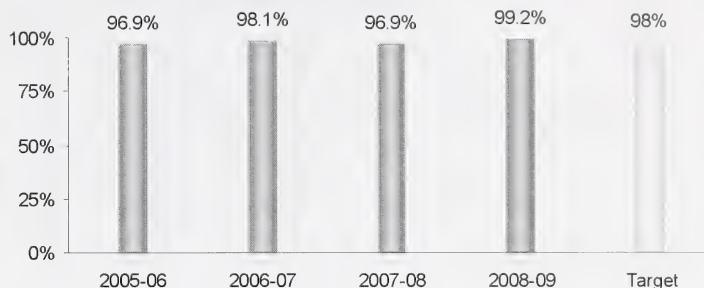
The percentage of adult Albertans who volunteered increased from 68.6 per cent in 2007-08 to 81.4 per cent in 2008-09, surpassing the target of 67 per cent. Volunteering is an unpaid contribution of time, energy and/or talents to charitable or nonprofit organizations, causes, community development activities, or help through personal initiatives to individuals. The main reason for the increase appears to be a rise in informal volunteering rates, which increased almost 30 per cent. This may have been influenced by adding "helping a neighbour in need" as a new example to the survey question on informal volunteering. Increases from last year were also seen for volunteering in arts and culture (5.9 per cent), sports (1.1 per cent), recreation (1.7 per cent), libraries (2.3 per cent) and other types of volunteer work (0.8 per cent) with only youth development volunteerism rates decreasing (one percent). The Alberta volunteerism rate is influenced by Alberta's economy, job market and the amount of free time Albertans have to volunteer. More Albertans may have volunteered in order to enhance their job related skills and increase their experience in order to strengthen their opportunities in a changing job market. The largest barriers reported by people not volunteering is not having enough time or being too busy (51.6 per cent). In 2008-09, the Ministry provided 129 Alberta communities with funding to promote the importance of volunteers during National Volunteer Week. In addition, over 1,300 delegates at the Vitalize Provincial Voluntary Sector Conference received training through the Ministry.

MEASURE 3.B

Percentage of Community Initiatives Program/
Community Facility Enhancement Program
grant recipients who indicate the funding
benefited their community

**Results for 2005-06 to 2008-09
reviewed by the Auditor General.**

**Percentage of CIP/CFEP grant recipients who indicate the funding
benefited their community**



Source: Survey of Community Initiatives Program Clients and Survey of Community Facility Enhancement Program Clients

Description

Indicates the percentage of Community Initiatives Program and Community Facility Enhancement Program accounting clients who indicated that grant funding received benefited their communities.

Results

In 2008-09, 99.2 per cent of Community Initiatives Program and Community Facility Enhancement Program grant recipients indicated that funding benefited their community.

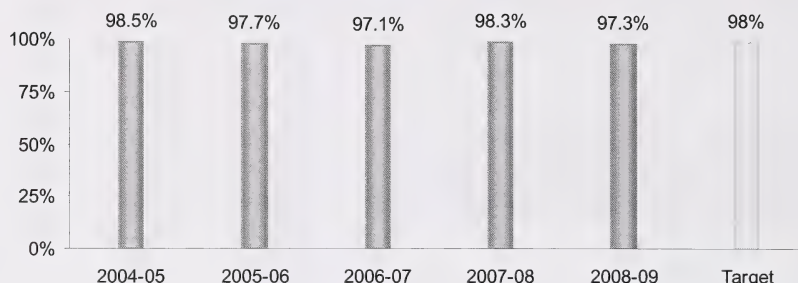
Analysis

Results remain exceptionally high and exceed the target of 98 per cent. Results for the surveys are totalled to produce the overall result. In terms of the combined individual results, 214 of the 216 (99.1 per cent) Community Initiatives Program clients responded "yes" and 136 of the 137 (99.3 per cent) of the Community Facility Enhancement Program clients responded "yes." The completion status of projects, unforeseen circumstances and the amount requested versus funding received may influence results. The top three items the Community Initiatives Program grant funding was intended for was to enhance learning in the community (67 per cent) and to improve health (55 per cent) and safety (37 per cent) for people in the community. The majority (81 per cent) of the Community Facility Enhancement Program grant funding respondents used the funding to repair, renovate or upgrade an existing facility. Of the respondents that used the funding to upgrade an existing facility, 96 per cent indicated that the Community Facility Enhancement Program funding maintained or increased services to their community. Furthermore, 66 per cent of these respondents indicated the facility would now be used for new or additional activities or purposes.

MEASURE 3.C

Customer satisfaction with capacity building facilitation services and workshops

Customer satisfaction with capacity building facilitation services and workshops



Source: Client Satisfaction Survey; Customer Service Information System

Description

This measure indicates the overall satisfaction of customers with the Ministry's capacity building facilitation services and workshops.

Results

In 2008-09, 97.3 per cent of clients were satisfied with the Ministry's capacity building facilitation services and workshops.

Analysis

Results remain consistently high and nearly met the target of 98 per cent. There is a steady and high demand for facilitation and public participation services and training workshops, which help community organizations and government address issues and develop organizational and board capacity. This is accomplished through the use of facilitative and public participation processes and through the specialized knowledge of the Ministry's Community Development Officers. The Ministry's focus on customizing these services and workshops to meet the needs of the client likely had a positive influence on results. Another contributing factor is that these services and workshops are highly accessible to organizations anywhere in Alberta. The Ministry provided a broad range of capacity building facilitation services and workshops to rural and urban nonprofit/voluntary sector organizations and government organizations on over 800 projects, with over 600 completed in 2008-09.

Core Business 3

Promote and preserve Alberta's rich heritage

In 2008-09, 10.9 per cent (\$57 million) of operating expenditures related to core business three. This is done by managing a network of provincial heritage facilities to ensure Alberta's heritage is valued and preserved to enhance learning and research. In 2008-09, there were increased expenses of \$7.4 million, primarily related to inflationary expenses to operate the heritage facilities, increased grants provided from the Alberta Historical Resources Foundation, and one-time funding to address heritage infrastructure maintenance projects.

Goal 4

Alberta's rich heritage is valued and the province's historical resources are preserved to enhance learning and research

Overview

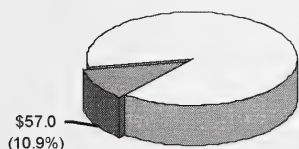
The Ministry supports this goal on an ongoing basis by:

- Managing and promoting a network of provincial heritage facilities that includes the Provincial Archives of Alberta, five major museums and 14 historic sites and interpretive centres.
- Managing Alberta's unique and irreplaceable historic legacy of over 10 million objects; more than two million maps, architectural drawings and photographs; almost 50,000 linear metres of archival documents; and over 110,000 hours of film, video and sound recordings.
- Protecting over 500 designated historic places and tens of thousands of archaeological and palaeontological sites.
- Regulating land-based development activities to preserve significant historical resources and ensure that heritage site management is included in industry operating procedures.
- Providing communities with advice and funding assistance for historical preservation and presentation through the Alberta Historical Resources Foundation.
- Developing learning opportunities for students and visitors through curriculum-based and general interest programs, events and activities.
- Maintaining an international reputation for original scholarly research.

Results

The Ministry continued planning for renewal of the Royal Alberta Museum. The Museum's feature exhibition gallery was fully renovated, upgrades were made to the Wild Alberta gallery to improve visitor orientation, the Museum's public programs commitment was revitalized, and the first in a series of distance learning programs was offered.

Operating Expenses Goal 4
(in millions)



Goal 4 accounted for 10.9% (\$57.0 million) of the Ministry's 2008-09 operating expense.

STRATEGY 4.1

Renew the Royal Alberta Museum to enrich the visitor experience and improve the museum's capacity to safeguard and provide public access to irreplaceable heritage collections.

STRATEGY 4.2

Improve service to the public by enabling electronic access to, and preservation of, Alberta's historical resources.

Recommendations for the next step in the design of the Provincial Archives website were developed to enable greater access to historical resources based on a technical usability assessment and stakeholder and new user feedback.

The Ministry populated the Provincial Archive's Heritage Resource Management Information System online database with significant archival collections and information. This resulted in 852 metres of government and private records holdings being catalogued and made available. In addition, 5,000 photos, 7,000 photo descriptions, 102 8mm films, 44 1/4 inch audio tapes, 20,000 map descriptions and 4,000 images of these maps were all digitized and added to the online database.

The Digital Preservation and Archives Strategy project was advanced through furthering the strategy and program design phase, including the Requirements and Standards Report and accompanying strategic matrix of international best practices. Other activities included updating stakeholders, reviewing survey tools and conducting a current state analysis of existing digital repositories and Ministry preservation activities in the government.

STRATEGY 4.3

Prioritize and implement improvements to heritage and cultural facilities, including a review of existing facilities and collection storage.

The Ministry completed a business case for reinvestment in provincial heritage infrastructure that identifies, outlines and prioritizes both current and future demands for provincial heritage infrastructure. A review of heritage collection storage facilities that house Alberta's unique and irreplaceable collections of natural, archaeological, palaeontological, historical and documentary heritage was also completed.

The Ministry began several projects at the Royal Tyrrell Museum of Palaeontology, including the installation of an elevator between its upper and lower display galleries and renovations of the Tyrrell Museum Field Station. Landscape revitalization was completed and signage for the Fossil Trail was installed. Triassic Giant and Discoveries Gallery exhibits upgrades were completed, as were upgrades to the preparation table and ball room.

DID YOU KNOW?

The Royal Alberta Museum held a five day celebration of science called Cool Science, which explored collections, research, exhibitions and the 200th birthday of Charles Darwin. The Museum set a Family Day attendance record of 6,712 visitors.

The Frank Slide Interpretive Centre, which first opened in April 1985, underwent a complete renewal of its exhibits, displays and all public areas within the building. The Centre reopened to the public in late August 2008 with a gala opening event. At Head-Smashed-In Buffalo Jump, a new feature presentation for the theatre was produced and launched, and two audio/visual exhibits were updated. Additionally, 15 historic buildings were reroofed at the Ukrainian Cultural Heritage Village while one building had its roof rethatched using traditional thatching techniques. The Plavin Homestead Provincial Historic Resource, in the Peace River Country, had conservation work done. The support beam in the stabilized power house structure was replaced at Leitch Collieries.

STRATEGY 4.4

Present learning enrichment activities to students and the public through in-house workshops, programs, events, camps, and outreach and video conference programming throughout North America.

DID YOU KNOW?

An exhibit entitled *Dragons: Between Science and Fiction* was held at the Royal Alberta Museum. The exhibit drew general admission attendance of over 60,000 people.

Two new curriculum programs were added to the suite of educational in-house workshops at the Royal Tyrrell Museum of Palaeontology. The Museum offers 13 programs, teacher's resource materials, outreach programs, and new this year, distance learning through videoconferencing and the Alberta SuperNet. Educational programming via videoconference from the Museum studio has now reached six provinces, 18 states and four countries. In 2008-09, 290 programs were delivered to more than 7,700 participants, an increase of 54 per cent over the previous year. The Distance Learning Program received a 2009 Canadian Museums Association award for Outstanding Achievement in Education.

In celebration of Darwin 200, the bicentennial of Charles Darwin's birthday, the Royal Tyrrell Museum of Palaeontology opened a Darwin Image Gallery. Darwin 200 celebrates the impact Charles Darwin's ideas about evolution had on the world. As part of the celebration, a lecture series bringing together scholars who study Darwin and his work began in February and continues through 2009.

The Royal Alberta Museum launched its first distance learning videoconferencing education program, *It's A Small World*, which aligns with the grade two science curriculum, *Small Flying and Crawling Animals*. The Royal Alberta Museum also hosted *Dragons: Between Science and Fiction*, which included a 10,000 square foot display, a summer film series on dragons, "dragonlist" activities for children and a 10 week lecture series on dragons and other mythical creatures. Additional summer programming at the Royal Alberta Museum included a new series of summer camps that were supported by the Friends of Royal Alberta Museum Society. Distance learning programs were also successfully developed and piloted at Head-Smashed-In Buffalo Jump, Remington Carriage Museum and Reynolds-Alberta Museum. Program testing with volunteer schools groups has been positive and these programs will formally launch in 2009-10.

The Provincial Archives of Alberta held 18 events that included workshops, lectures and exhibit launches. More than 1,300 people attended these events. Visitors also had the opportunity to attend preservation workshops that were held during special events. In addition, the Archives completed and delivered two in-house exhibits and one travelling exhibit. A script for a videoconferencing curriculum-based school program was drafted and a major educational resource entitled *Photographs - If Only They Could Speak* with kindergarten to grade 12 linkages was developed for online delivery.

Over 120 additional curriculum-based educational programs were developed and offered through provincial heritage facilities to school groups ranging from kindergarten to grade 12. Over 38,000 people participated in these programs in 2008-09. As well, 38 separate special events and public programs were developed and made available to visitors. This included a Tipi Camping Program at Head-Smashed-In Buffalo Jump, a two-day Wetaskiwin air show over the Reynolds-Alberta Museum grounds, the annual Miniature Horse Chuckwagon Championships at the Remington Carriage Museum, the annual Robbie Burns Day at the Rutherford House Provincial Historic Site and the first annual Riverland Adventure Challenge at the Fort George and Buckingham House Provincial Historic Site. Victoria Settlement and Fort George and Buckingham House Provincial Historic Sites in northeastern Alberta, and Historic Dunvegan in

STRATEGY 4.5

Support the cross-ministry First Nations Consultation Policy on Land Management and Resource Development by collaborating with industry and First Nations to protect heritage sites and facilitate cooperation.

STRATEGY 4.6

Encourage the protection of local historic places by assisting rural and urban municipalities with the development of municipal heritage resource management programs.

northwestern Alberta all offered outreach extension programming over the winter of 2008-09 to schools within their geographic regions.

The Ministry has continued its collaboration with First Nations, industry and other government ministries to collect information on First Nations Traditional Use Sites. These sites were added to the Listing of Historic Resources, which is a tool for regulating land-based development. Under the *Historical Resources Act* information on these sites will be used when reviewing development proposals in order to define consultation requirements and assist in decision-making.

In collaboration with industry and First Nations, a cross-ministry review has been initiated of Alberta's First Nations Consultation Policy (and associated guidelines) on Land Management and Resource Development. This review process began in early 2009 and will continue until the spring of 2010. A revised policy and guidelines are then expected to be released based on feedback from all parties.

The Ministry significantly enhanced municipal engagement in heritage conservation by providing advisory services and funding assistance through its Municipal Heritage Partnership Program. More than 70 presentations to municipal officials were made and the Ministry entered into cost-sharing contracts with 11 municipalities to undertake heritage planning work. As a result of this outreach, a wealth of historic resources have been identified and evaluated, municipal management plans have been crafted, and there was a significant increase in the number of Municipal Historic Resources protected under the *Historical Resources Act*.



The Alberta Wheat Pool Grain Elevator and Bow Slope Stockyard site in Scandia was designated a Provincial Historic Resource in September 2008. The site is a rare surviving example of a once common cultural landscape.

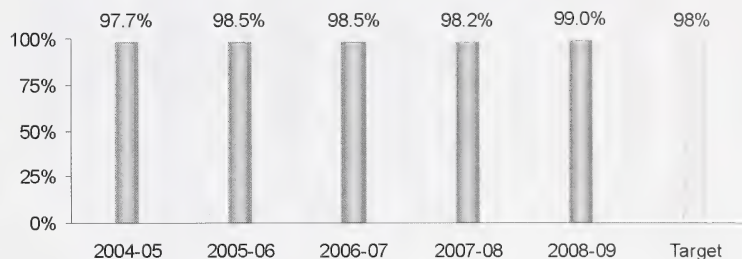
MEASURE 4.A

Visitor satisfaction with experiences at provincial historic sites, museums and interpretive centres

Results for 2004-05 to 2008-09
reviewed by the Auditor General.

Performance Measures

Visitor satisfaction with experiences at provincial historic sites, museums and interpretive centres



Source: Heritage Facilities Visitor Survey

Description

This measure assesses visitors' level of overall satisfaction with their experiences at provincial historic sites, museums and interpretive centres.

Results

In 2008-09, 99.0 per cent of visitors reported overall satisfaction with their visit to a provincial historic site, museum or interpretive centre.

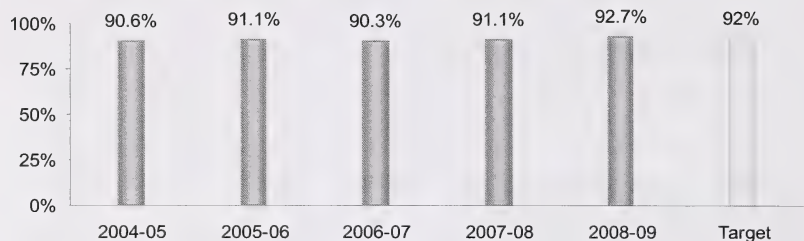
Analysis

Slightly above the target of 98 per cent and previous years' results, 99 per cent of visitors were satisfied overall with their visit to a provincial historic site, museum or interpretive centre in 2008-09. The proportion of respondents who were very satisfied increased significantly over the previous survey year (from 67 per cent in 2007-08 to 70 per cent in 2008-09). The focus and condition of exhibits and facilities, new exhibits and visitors' expectations and previous experiences may influence results. The overwhelming majority of respondents (95 per cent) felt that the facility and grounds of the provincial historic site, museum or interpretive centre they visited were in excellent or good condition. Significant progress was made in addressing the backlog of deferred maintenance issues that existed at historical sites around the province. In the Ministry's 2009-12 Business Plan, the measure wording was changed to "Visitor satisfaction with experiences at provincial heritage facilities." There is no target for 2009-10, as the data is now collected every third year. The results will next be available in 2011-12. Three new measures related to this goal were introduced in the 2009-12 Business Plan. The new measures focus on the importance of historical resources to overall quality of life, visitation to heritage facilities and protection and preservation of historical resources.

MEASURE 4.B

Percentage of visitors to provincial historic sites, museums and interpretive centres who rated the knowledge they gained of Alberta history as excellent or good.

Percentage of visitors to provincial historic sites, museums and interpretive centres who rated the knowledge they gained of Alberta history as excellent or good



Source: Heritage Facilities Visitor Survey

Description

This measure assesses visitors' perceptions of the knowledge they gained about Alberta history during a visit to a provincial historic site, museum or interpretive centre.

Results

In 2008-09, 92.7 per cent of visitors to provincial historic sites, museums or interpretive centres rated the knowledge gained of Alberta history as good or excellent.

Analysis

Results of 92.7 per cent are the highest rating in five years and above the target. Results may have been influenced by the focus of exhibits and programs offered during a visit, visitors' expectations or previous experiences. In the Ministry's 2009-12 Business Plan, the measures wording was changed to "Percentage of visitors to provincial heritage facilities who rated the knowledge they gained of Alberta history as excellent or good." There is no target for 2009-10, as the data is now collected every third year. The results will next be available in 2011-12.

MEASURE 4.C(i)

Economic impact of provincial historic sites, museums and interpretive centres (\$ million)

- Value-added impact

Value-added economic impact of provincial historic sites, museums and interpretive centres



Source: DEIM; Heritage Facilities Visitor Survey

MEASURE 4.C(ii)

Economic impact of provincial historic sites, museums and interpretive centres (\$ million)

- Taxation revenue returned to three levels of government

Taxation revenue from provincial historic sites, museums and interpretive centres



Source: DEIM; Heritage Facilities Visitor Survey

Description

These measures provide an estimate of the level of economic activity, in current dollars, created by the operation of the Ministry's provincial historic sites, museums and interpretive centres.

Results

In 2007-08, the value-added economic impact generated by the Ministry's provincial historical sites, museums or interpretive centres was \$75.3 million and the taxation revenue was \$28.5 million.

Analysis

The value-added economic impact generated by the Ministry's provincial historic sites, museums or interpretive centres increased by more than \$9.5 million from the previous year, and the taxation revenue created increased by \$3.9 million. Results for both measures exceeded the 2008-09 targets with the value-added

economic impact exceeding the target by \$12.3 million. Results were influenced by a slight increase in overall visitation over the previous year, and a continued increase in per person spending. Results for this measure are affected by factors such as: global, national and provincial tourism trends; the general state of the economy; and the attractiveness and relative competitive nature of the heritage facilities. Visitation at the facilities will also have a direct impact on the results achieved. Tourism trends and the general state of the economy in 2007-08 are likely to have had considerable impact on this measure, since its results are directly affected by visitation and expenditures. This performance measure is no longer included in the Ministry's business plan, as it is being replaced by measures more relevant to the goal.



Learning a heritage craft at Stephansson House Provincial Historic Site

Core Business 4

Protect human rights, promote fairness and access, and support the inclusion of all Albertans

In 2008-09, 1.4 per cent (\$7.6 million) of the operating resources were used for core business four. Services are provided to resolve and adjudicate human rights complaints, reduce discrimination, and increase awareness and appreciation of our diverse racial and cultural composition. In 2008-09, there were increased expenses of \$0.6 million to address the increased complexity and volume of human rights complaint investigations.

Goal 5

Albertans participate in the social, economic and cultural life of the province without discrimination

Overview

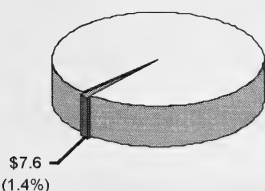
The Ministry supports this goal on an ongoing basis by:

- Promoting awareness and understanding of Alberta's human rights legislation.
- Resolving and adjudicating human rights complaints.
- Providing education, information and consultative services that support human rights, equity, diversity and multiculturalism in the province.
- Providing financial support to community organizations and public institutions through the Human Rights, Citizenship and Multiculturalism Education Fund for initiatives that foster equality, reduce discrimination and racism, remove organizational barriers and increase community capacity to build inclusive organizations and communities.
- Collaborating with other governments and organizations, and representing the province's international human rights responsibilities.

Results

The Ministry, through the Alberta Human Rights and Citizenship Commission, continued to champion the Coalition of Municipalities Against Racism and Discrimination in Alberta. The Ministry helped advance the coalition on a national basis by providing input to the national strategic plan and by working with the Canadian Commission for United Nations Educational Scientific and Cultural Organization to organize and host a welcoming reception and Pan-Canadian meeting of the 30 municipalities and partners.

Operating Expenses Goal 5
(in millions)



Goal 5 accounted for 1.4% (\$7.6 million) of the Ministry's 2008-09 operating expense.

STRATEGY 5.1

Develop and implement strategies that help build welcoming and inclusive communities and workplaces, particularly for immigrants and ethno-cultural and racial groups.

DID YOU KNOW?

Alberta Human Rights Information Service is a free online newsletter that keeps subscribers up to date on Alberta Human Rights and Citizenship Commission news and events. To register for this free newsletter, visit: www.albertahumanrights.ab.ca.

A Welcome and Inclusive Communities partnership was developed with the Alberta Urban Municipalities Association to help communities build welcoming and inclusive communities and to support municipalities that had joined the Coalition of Municipalities Against Racism and Discrimination. A project plan was developed and implemented, and consultative meetings were held with municipalities. In addition, the first meeting of the Coalition of Municipalities Against Racism and Discrimination and other municipalities interested in the Welcoming and Inclusive Communities initiative was held. The partnership sponsored a session at the national 2009 immigration and diversity conference, Metropolis, held in Calgary. This is the only partnership with a provincial association of municipalities in Canada.

In cooperation with the Ministry of Employment and Immigration and the Ministry of Municipal Affairs, elected municipal leaders, service providers, ethno-cultural leaders, multicultural leaders and immigrant serving agencies in seven communities were consulted to explore ways to improve the coordination of responses to growth-related challenges in communities, especially as they related to international migrants. The Ministry also collaborated with the Ministry of Employment and Immigration in providing consultation and advice to rural communities such as Cold Lake, Bonnyville and Lac La Biche to help them build more inclusive communities through attraction and retention of immigrants and Canadian migrants.

DID YOU KNOW?

With funding support from the Human Rights, Citizenship and Multiculturalism Education Fund, Calgary Emergency Medical Services developed a brochure, EMS in Translation, which outlines the basics of what happens during a 9-1-1 call for a Calgary ambulance. The brochure has been translated into six languages.



Dignitaries at the Second Pan-Canadian meeting of the Coalition of Municipalities Against Racism and Discrimination, held on March 18, 2009. From left to right, Honourable Lindsay Blackett, Minister of Culture and Community Spirit; Honourable David Blair Mason, Chief Commissioner, Alberta Human Rights and Citizenship Commission; Joe Ceci, Alderman, City of Calgary; Brian Pincott, Alderman, City of Calgary; Mayor David Bronconnier, City of Calgary; Diane Colley-Urquhart, Alderman and Commissioner, Alberta Human Rights and Citizen Commission; Andre Chabot, Alderman, City of Calgary.

STRATEGY 5.2

Review and research the policy and legislative framework that protects human rights and promotes fairness and access to the opportunities to participate fully in the social, cultural and economic life of the province.

The Ministry initiated its review of Alberta's human rights framework in spring 2008. A project plan was developed, building on Albertans' reported overall satisfaction with human rights in the province while assessing legislative updates needed as a result of court decisions since 1996. Possible administrative reforms were examined to better address the needs of Alberta's growing and increasingly diverse population.

STRATEGY 5.3

Address the elimination of barriers limiting Albertans from participating in society through support from the Human Rights, Citizenship and Multiculturalism Education Fund.

The Advisory Committee for the Human Rights, Citizenship and Multiculturalism Education Fund consulted with ethno-cultural community leaders, government ministries and other groups to gather views regarding current issues and perspectives. Input was also collected from the Human Rights Commissioners and Commission staff, stakeholder groups, external experts and a review of third party reports.

The Ministry continued to support community organizations and public institutions by implementing initiatives outlined in the report, *Creating Inclusive Communities: A Framework for the Future 2007-12*. The Ministry responded to nonprofit organizations' concerns over resource constraints by modifying the grant program to reduce the contribution that nonprofit organizations were required to provide for grant supported projects. The application process was also simplified by developing an applicant guide, an electronic application form that increased efficiency in making grants and a strategy for on-site visits. Increased consultative support was provided to communities with the appointment of two new full-time consultants.

Through the Human Rights, Citizenship and Multiculturalism Education Fund, 28 grants to nonprofit organizations totalling over \$1.2 million were awarded for projects that help build welcoming and inclusive communities and workplaces and reduce racism and discrimination. This included grants to three Alberta municipalities that are members of the Coalition of Municipalities Against Racism and Discrimination network to advance their efforts to combat racism and discrimination.

STRATEGY 5.4

Support nonprofit organizations and public institutions in building their capacity to develop and deliver effective initiatives that advance the goal of full civic participation.

Consultative support was provided to a range of organizations and public institutions across Alberta to help them increase civic engagement. This included support to a regional health district, municipalities, nonprofit community organizations and businesses.

The Ministry published a revised version of *Pathways to Change*, a tool to assist organizations and institutions in identifying options for pursuing full civic engagement. This tool has been adopted by a number of service providers in their work to build capacity with their clients and to enhance their initiatives. A workshop on this tool was presented at a national immigration and diversity conference.

The Alberta Human Rights and Citizenship Commission led an initiative in partnership with human rights commissions across Canada to develop an interactive youth-oriented website. The goal of the website is to increase youth engagement and participation in human rights. This initiative was undertaken in recognition of the 60th anniversary of the Universal Declaration of Human Rights.

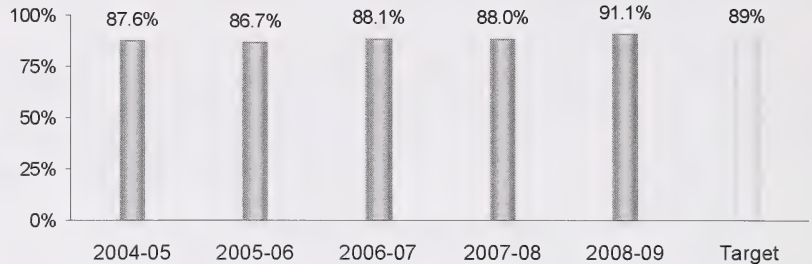
DID YOU KNOW?

The vast majority of Albertans (97 per cent) feel that an environment free of discrimination is important to the overall quality of life in their community.

MEASURE 5.A

Percentage of adult Albertans who believe human rights are well protected in Alberta

Results for 2004-05 to 2008-09 reviewed by the Auditor General.

Performance Measure**Percentage of adult Albertans who believe human rights are well protected in Alberta**

Source: Culture and Community Spirit Survey of Albertans

Description

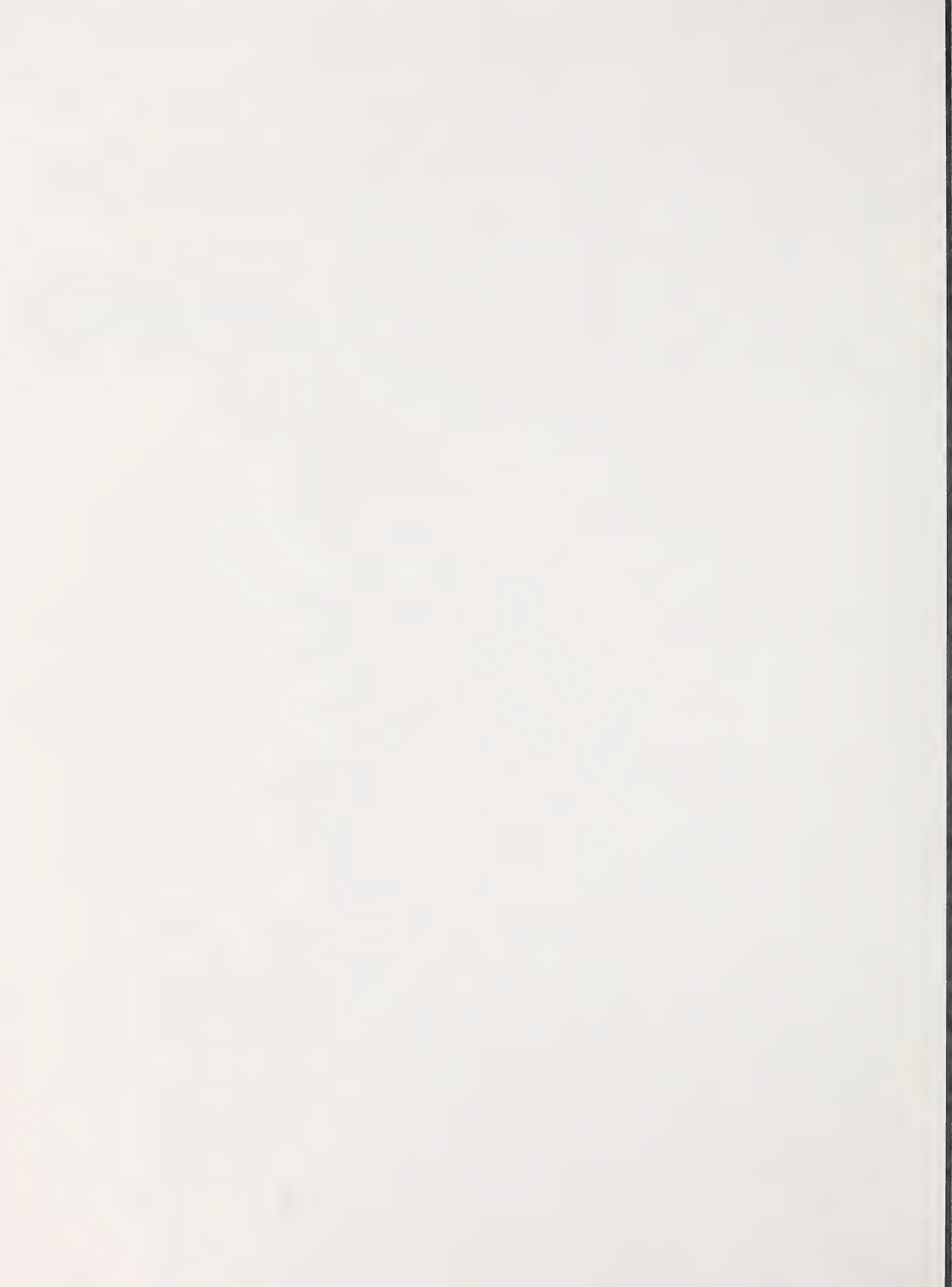
This measures adult Albertans' perceptions of how well human rights are protected in Alberta.

Results

In 2008-09, 91.1 per cent of adult Albertans felt that human rights were well protected in Alberta.

Analysis

Results exceeded the target and results from previous years. Results are based on the combined total of adult Albertans who indicated human rights are fairly well or very well protected in Alberta, the top two categories of a four point scale. There are numerous factors outside the Ministry's control that influence the achievement of results. Key factors include media coverage on human rights issues or events, both within and outside Alberta, and particularly on legislative matters or complaints involving human rights. Respondent's knowledge of Alberta's human rights legislation can influence how well they feel human rights are protected in Alberta. The Alberta Human Rights and Citizenship Commission resolved and adjudicated complaints of discrimination and offered educational initiatives. During 2008-09, 94 workshops on building respectful and inclusive workplaces were held by the Alberta Human Rights and Citizenship Commission with almost 2,000 participants. Displays were set up at 36 events targeting an estimated audience of 6,600. Work was done with communities, other stakeholders and the network of municipalities and partners involved in the Coalition of Municipalities Against Racism and Discrimination to help build inclusive communities and strengthen workplaces. A new measure related to this goal is introduced in the Ministry's 2009-12 Business Plan. The new measure focuses on discrimination in the workplace.



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Ministry of Culture and Community Spirit

Consolidated Financial Statements

March 31, 2009

**Ministry of Culture and Community Spirit
Consolidated Financial Statements
March 31, 2009**

Auditor's Report

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Consolidated Statement of Financial Position

Consolidated Statement of Cash Flows

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Schedule 1 – Revenues

Schedule 2 – Dedicated Revenue Initiatives

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Schedule 4 – Budget

Schedule 5 – Related Party Transactions

Schedule 6 – Allocated Costs

Schedule 7 – Tangible Capital Assets



Auditor's Report

To the Members of the Legislative Assembly

I have audited the consolidated statement of financial position of the Ministry of Culture and Community Spirit as at March 31, 2009 and the consolidated statements of operations and cash flows for the year then ended. These financial statements are the responsibility of the Ministry's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Ministry as at March 31, 2009 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

A handwritten signature in black ink, appearing to read 'Fred Dunn'.

FCA
Auditor General

Edmonton, Alberta
June 10, 2009

Ministry of Culture and Community Spirit
Consolidated Statement of Operations
For the year ended March 31, 2009
(thousands of dollars)

	2009		2008
	Budget (Schedule 4)	Actual	Actual Restated (Note 3)
Revenues (Schedules 1 and 2)			
Internal Government Transfers	\$ 475,547	\$ 456,878	\$ 379,028
Transfers from the Government of Canada	526	19,774	727
Investment Income	1,981	1,533	1,815
Premiums, Fees and Licences	4,982	5,180	5,297
Other Revenue	11,199	11,465	12,762
	<u>494,235</u>	<u>494,830</u>	<u>399,629</u>
Expenses – Directly Incurred (Note 2(c) and Schedules 3 and 6)			
Culture	78,416	90,426	67,791
Community Lottery Grants	402,321	367,053	317,337
Heritage	57,493	52,896	47,184
Human Rights and Citizenship	7,134	6,959	6,619
Ministry Support Services	7,369	6,383	4,448
	<u>552,733</u>	<u>523,717</u>	<u>443,379</u>
Valuation Adjustments			
Provision for Environmental Obligations	-	-	(406)
Provision for Doubtful Accounts	-	3	1
Provision for Inventory Write-off	-	8	-
Provision for Vacation Pay and Banked Overtime	90	245	459
	<u>90</u>	<u>256</u>	<u>54</u>
	<u>552,823</u>	<u>523,973</u>	<u>443,433</u>
(Loss) on Disposal of Tangible Capital Assets	-	-	(82)
Write-down of Tangible Capital Assets	-	(649)	-
	<u>-</u>	<u>(649)</u>	<u>(82)</u>
Net Operating Results	<u>\$ (58,588)</u>	<u>\$ (29,792)</u>	<u>\$ (43,886)</u>

The accompanying notes and schedules are part of these consolidated financial statements.

Ministry of Culture and Community Spirit
Consolidated Statement of Financial Position
As of March 31, 2009
(thousands of dollars)

	2009	2008
		Restated (Note 3)
Financial Assets		
Cash and Short-term Investments (Note 4)	\$ 19,043	\$ 20,534
Accounts Receivable, Prepaid Expenses and Inventories (Note 5)	6,320	78,597
Cash and Short-term Investments Appropriated for Non-Current Use (Note 4)	8,467	8,467
Tangible Capital Assets (Schedule 7)	17,726	14,607
	<u>\$ 51,556</u>	<u>\$ 122,205</u>
Liabilities		
Accounts Payable and Accrued Liabilities	\$ 169,013	\$ 100,084
Unearned Revenue	242	248
	<u>169,255</u>	<u>100,332</u>
Net Assets (Liabilities)		
Net Assets, Beginning of Year	21,873	12,404
Net Operating Results	(29,792)	(43,886)
Net Financing Provided (for) from General Revenues	(109,780)	53,355
Net Assets (Liabilities), End of Year	<u>(117,699)</u>	<u>21,873</u>
	<u>\$ 51,556</u>	<u>\$ 122,205</u>

The accompanying notes and schedules are part of these consolidated financial statements.

Ministry of Culture and Community Spirit
Consolidated Statement of Cash Flows
For the year ended March 31, 2009
(thousands of dollars)

	2009	2008 Restated (Note 3)
Operating Transactions		
Net Operating Results	\$ (29,792)	\$ (43,886)
Non-cash Items included in Net Operating Results		
Amortization of Tangible Capital Assets	1,576	1,105
Valuation Adjustments	256	54
Write-down of Tangible Capital Assets	649	-
Loss on Disposal of Tangible Capital Assets	-	82
	(27,311)	(42,645)
Decrease (Increase) in Accounts Receivable, Prepaid Expenses and Inventories before Valuation Adjustments	72,266	(68,803)
Increase in Accounts Payable and Accrued Liabilities before Valuation Adjustments	68,684	64,596
(Decrease) Increase in Unearned Revenue	(6)	29
Cash Provided by (Applied to) Operating Transactions	113,633	(46,823)
Capital Transactions		
Acquisition of Tangible Capital Assets (Schedule 7)	(5,523)	(3,981)
Transfers of Tangible Capital Assets to (from) Others	179	(300)
Cash (Applied to) Capital Transactions	(5,344)	(4,281)
Financing Transactions		
Net Financing Provided (for) from General Revenues	(109,780)	53,355
(Decrease) Increase in Cash	(1,491)	2,251
Cash and Short-term Investments, Beginning of Year	20,534	18,283
Cash and Short-term Investments, End of Year	<u>\$ 19,043</u>	<u>\$ 20,534</u>

The accompanying notes and schedules are part of these consolidated financial statements.

Ministry of Culture and Community Spirit
Notes to the Consolidated Financial Statements
For the year ended March 31, 2009

Note 1 Authority and Purpose

The Minister of Culture and Community Spirit has, by the *Government Organization Act* and its regulations, been designated responsible for various *Acts*. To fulfill these responsibilities, the Minister is responsible for the organizations listed in Note 2(a). The authority under which each organization operates is also listed in Note 2(a). Together these organizations form the Ministry of Culture and Community Spirit (the Ministry).

The purpose of the Ministry is to promote, develop and preserve Alberta's culture and heritage in support of vibrant and inclusive communities. This is done by:

- Fostering the sustainability and appreciation of Alberta's cultural industries and the arts;
- Supporting Alberta's communities and the non-profit/voluntary sector;
- Promoting and preserving Alberta's rich heritage; and
- Protecting human rights, promoting fairness and access, and supporting the inclusion of all Albertans.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with Canadian generally accepted accounting principles for the public sector as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants (PSAB). The PSAB financial statements presentation standard for government summary financial statements has been modified to more appropriately reflect the nature of the ministry.

(a) Reporting Entity

The reporting entity is the Ministry of Culture and Community Spirit. The *Government Accountability Act* defines a Ministry as including the Department and any Provincial agency and Crown-controlled organization for which the Minister is responsible.

These consolidated financial statements include the accounts of the following organizations:

<u>Organization</u>	<u>Authority</u>
Department of Culture and Community Spirit	<i>Government Organization Act</i>
Alberta Foundation for the Arts	<i>Alberta Foundation for the Arts Act</i>
The Alberta Historical Resources Foundation	<i>Historical Resources Act</i>
The Government House Foundation	<i>Government House Act</i>
The Historic Resources Fund	<i>Historical Resources Act</i>
Human Rights, Citizenship and Multiculturalism	<i>Human Rights, Citizenship and Multiculturalism Act</i>
Education Fund	
The Wild Rose Foundation	<i>Wild Rose Foundation Act</i>

Ministry of Culture and Community Spirit
Notes to the Consolidated Financial Statements
For the year ended March 31, 2009

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(a) Reporting Entity (continued)

All departments of the Government of Alberta operate within the General Revenue Fund (Fund). The Fund is administered by the Minister of Finance and Enterprise. All cash receipts of departments are deposited into the Fund and all cash disbursements made by departments are paid from the Fund. Net financing provided from (for) General Revenues is the difference between all cash receipts and all cash disbursements made.

(b) Basis of Consolidation

The accounts of the organizations listed in Note 2(a) above have been consolidated. Revenue and expense transactions, investing, capital and financing transactions, and related asset and liability accounts between the consolidated organizations were eliminated upon consolidation.

(c) Basis of Financial Reporting

Revenues

All revenues are reported on the accrual basis of accounting. Cash received for which goods or services have not been provided by year end is recorded as unearned revenue.

Donations are recognized as revenues when they are received. Donations of materials and services that would otherwise have been purchased are recorded at fair value at the date of donation when fair value can reasonably be determined.

Internal Government Transfers

Internal government transfers are transfers between entities within the government reporting entity where the entity making the transfer does not receive any goods or services directly in return.

Transfers from Government of Canada

Transfers from Government of Canada are recognized as revenue when authorized by federal legislation or federal/provincial agreements, eligibility criteria if any are met and a reasonable estimate of the amounts can be made.

Ministry of Culture and Community Spirit
Notes to the Consolidated Financial Statements
For the year ended March 31, 2009

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(c) Basis of Financial Reporting (continued)

Dedicated Revenue

Dedicated revenue initiatives provide a basis for authorizing spending. Dedicated revenues are shown as credits or recoveries in the details of the Government Estimates for a supply vote. If budgeted revenues are not fully realized, spending is reduced by an equivalent amount. If actual dedicated revenues exceed budget, the Ministry may, with the approval of the Treasury Board, use the excess revenue to fund additional expenses on the program. Schedule 2 discloses information on the Ministry's dedicated revenue initiatives.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Ministry has primary responsibility and accountability for, as reflected in the Government's budget documents.

Grants are recorded as expenses when authorized and when all eligibility criteria have been satisfied.

In addition to program operating expenses like salaries, supplies, etc., directly incurred expenses also include:

- Amortization of tangible capital assets;
- Pension costs which comprise the cost of employer contributions for current service of employees during the year; and
- Valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to vacation pay, banked overtime and environmental obligations.

Incurred by Others

Services contributed by other entities in support of the Ministry's operations are disclosed in Schedule 6.

Assets

Financial assets of the Ministry are limited to cash and short term investments and financial claims, such as advances to and receivables from other organizations, employees and other individuals, as well as inventory for resale.

Investments are recorded at cost. Where there has been a loss in the value of an investment that is other than a temporary decline, the investment is written down to recognize the loss.

Ministry of Culture and Community Spirit
Notes to the Consolidated Financial Statements
For the year ended March 31, 2009

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(c) Basis of Financial Reporting (continued)

Assets (continued)

Inventory for resale is valued at the lower of cost and net realizable value. Cost is determined on the first in first out basis.

Assets acquired by right are not included. Tangible capital assets of the Ministry are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is \$100,000 and the threshold for all other tangible capital assets is \$5,000. All land is capitalized.

Donated tangible capital assets are recorded at their fair value at the time of contribution.

When physical assets (tangible capital assets and inventories of supplies) are gifted or sold for a nominal sum, the fair values of these physical assets less any nominal proceeds are recorded as grants in kind.

Collections of historic and scientific artifacts, archival holdings and works of art held by the Ministry are not recorded as assets. Purchases of collection items are expensed in the period in which the items are acquired. Donations of artworks and collection items are reported as revenue and expenses at their fair value when fair value can be determined. When fair value cannot be reasonably determined, these donations are recorded at nominal value.

Liabilities

Liabilities are recorded to the extent that they represent present obligations as a result of events and transactions occurring prior to the end of fiscal year. The settlement of liabilities will result in sacrifice of economic benefits in the future.

Environmental obligations are recorded as liabilities when there is little or no discretion to avoid settlement of the obligation and a reasonable estimate of the amount can be made.

Net Assets (Liabilities)

Net assets (liabilities) represent the difference between the carrying value of assets held by the Ministry and its liabilities.

Restricted funds, endowment funds and general reserves (Note 7) are considered appropriations from net assets and are reported as net assets.

An externally restricted fund accounts for non-government contributions, which can only be used for the purpose specified by the donor.

Ministry of Culture and Community Spirit
Notes to the Consolidated Financial Statements
For the year ended March 31, 2009

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(c) Basis of Financial Reporting (continued)

Net Assets (Liabilities) (continued)

An internally restricted fund accounts for funds restricted by the Ministry Foundations for either matching non-government contributions, which can only be used for an identified purpose, or for retaining an ongoing funding capability.

An endowment fund accounts for contributions received under various agreements with sponsors and matching funds may be provided by Ministry Foundations. In addition, the endowment fund can include internally restricted funds to be used for identified purposes, or for retaining an ongoing funding capability.

A general reserve accounts for appropriated funds, which are used for the purpose of maintaining an ongoing funding capability. Transfers from the reserve must be approved.

Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of cash and short-term investment, accounts receivable, inventory for resale and accounts payable and accrued liabilities are estimated to approximate their carrying values because of the short term nature of these instruments.

Measurement Uncertainty (thousands of dollars)

Measurement uncertainty exists when there is a variance between the recognized or disclosed amount and another reasonably possible amount. Environmental obligations are included in accounts payable and accrued liabilities in the amount of \$4,849 (2008 – \$7,241) for Heritage, based on management's best estimates that reflect the environmental information known at the time. Further environmental assessments, changes in environmental legislation or other unanticipated changes may affect these estimates.

Ministry of Culture and Community Spirit
Notes to the Consolidated Financial Statements
For the year ended March 31, 2009

Note 3 Government Reorganization/Program Transfers (thousands of dollars)

The Ministry of Culture and Community Spirit was established as a result of restructuring of government ministries announced on March 12, 2008 and other transfer of responsibilities to and from other ministries. Comparatives for 2008 have been restated as if the Ministry had always been assigned with its current responsibilities. Net assets (liabilities) on March 31, 2007 is made up as follows:

Net assets as previously reported	\$ 283,101
Transfer to the Ministry of Tourism, Parks and Recreation	(269,997)
Transfer to the Ministry of Employment and Immigration (Francophone Secretariat Program)	(250)
Transfer to the Ministry of International and Intergovernmental Relations (First Nations Development Fund)	-
Transfer from the Ministry of Municipal Affairs (Community and Voluntary Services)	(450)
	<hr/>
Net assets at March 31, 2007	\$ 12,404
	<hr/>

Based on an agreement between the Ministries of Service Alberta and Culture and Community Spirit, effective April 1, 2008, the Ministry of Culture and Community Spirit transferred the budgetary responsibility for the functional reporting of information technology services to the Ministry of Service Alberta. This resulted in the restatement of comparative figures for 2007-08 which increased net operating results by \$906 and decreased net financing provided from General Revenues by \$906.

Note 4 Cash and Short-term Investments and Cash and Short-term Investments Appropriated for Non-Current Use (thousands of dollars)

Cash consists of deposits in the Consolidated Cash Investment Trust Fund (CCITF) of the Province of Alberta. CCITF is managed with the objective of providing competitive interest income to depositors while maintaining appropriate security and liquidity of depositors' capital. The portfolio is comprised of high-quality short-term and mid-term fixed-income securities with a maximum term-to-maturity of three years. As at March 31, 2009, securities held by CCITF have a time-weighted return of 3.0% (2008 – 4.5%) per annum.

Short term investments consist of deposits in the amount of \$Nil (2008 – \$300) with life insurance companies that matured April 4, 2008.

Cash and short term investments in the amount of \$19,043 includes \$853 that has been externally restricted and \$6,080 that has been internally restricted and is therefore not available to pay for operating expenses.

Due to the short-term nature of these amounts, the carrying value approximates fair value.

Ministry of Culture and Community Spirit
Notes to the Consolidated Financial Statements
For the year ended March 31, 2009

Note 5 Accounts Receivable, Prepaid Expenses and Inventories (thousands of dollars)

	2009			2008
		Allowance for	Net	Restated
	Gross Amount	Doubtful	Realizable	(Note 3)
		Accounts	Value	Net
				Realizable
				Value
Accounts Receivable	\$ 5,439	\$ -	\$ 5,439	\$ 77,856
Inventory for Resale	509	-	509	457
Prepaid Expenses	72	-	72	33
Refunds from Suppliers	300	-	300	251
	<u>\$ 6,320</u>	<u>\$ -</u>	<u>\$ 6,320</u>	<u>\$ 78,597</u>

Accounts receivable are unsecured and non-interest bearing.

Note 6 Collections

Collections consist of historical and scientific artifacts, archival holdings and works of art of provincial, national and international significance located in the archives, museums and historical sites of the Province of Alberta. The Ministry has not recorded the value of these collections in the consolidated financial statements due to the practical difficulties of reflecting them at a meaningful value. The collections are insured for \$449 million. A description of the major collections is as follows:

- (a) The Province, through the Historic Sites and Museums Branch, preserves, operates and presents Alberta's history as is represented through 3 museums, 3 interpretive centres and 9 historic sites that contain 48 restored historic buildings/structures and 3 stabilized ruins. As well, it administers an additional 3 historic sites, which contain 58 undeveloped historic buildings/structures and 12 newly acquired but unrestored buildings. In addition, the Branch owns 1 developed historic resource (leased to a society), 13 cairns, 4 archaeological sites and 1 palaeontological site. In total, the Ministry owns 1,904 hectares of land deemed to be of historic significance.

Ministry of Culture and Community Spirit
Notes to the Consolidated Financial Statements
For the year ended March 31, 2009

Note 6 Collections (continued)

- (b) The Royal Alberta Museum maintains 13 curatorial programs with total collection holdings comprising approximately 12.3 million objects. This includes more than 1,393,000 objects on-site, over 23,200 warehoused objects off-site and another estimated 10,948,000 archaeological artifacts collected as part of the Archaeological Survey of Alberta permit process. The collections represent a highly diverse complement of cultural and natural heritage. These include mammals, birds, fish, insects, plants, minerals, gems, First Nations ethnographical material, military and cultural history artifacts, coins, as well as industrial, domestic and textile collections; and the permitted archaeological materials recovered in Alberta, all with associated documentation and in many cases images and other media.
- (c) The Royal Tyrrell Museum of Palaeontology collection has over 122,000 catalogued items including original and replica fossils. Annually, approximately 2,000 specimens are accessioned into the collection.
- (d) Reynolds-Alberta Museum exhibits approximately 160 major agricultural, industrial and transportation artifacts, and provides conservation, maintenance and restoration services for an additional collection of approximately 3,290 major and 3,575 smaller artifacts. Included in these numbers are 88 vintage aircraft, the second largest collection in Canada. The museum also houses a collection of documents, numbering over 60,000 pieces, related to the museum's mechanization themes.
- (e) The Remington Carriage Museum houses one of the largest collections of horse drawn vehicles in North America, with 276 carriages, buggies, wagons and sleighs, and approximately 690 associated small artifacts.
- (f) The Ukrainian Cultural Heritage Village is responsible for the management of Historic Sites' collection of approximately 53,800 artifacts. Approximately 5,000 of these artifacts are used to furnish various smaller sites throughout the province, and 8,000 artifacts furnish the historic buildings at the Ukrainian Cultural Heritage Village. The remaining artifacts are preserved in storage.
- (g) The Provincial Archives of Alberta holds approximately 42,970 linear metres of government textual records, 4,970 linear metres of private textual records, 65,440 maps, 30,000 architectural drawings, 2,190,890 photographic images, 47,300 hours of sound recordings, 68,620 hours of film and video materials and 13,130 volumes of library holdings.
- (h) The Arts Section of the Arts Branch manages 14 collections containing approximately 1,500 donated, purchased and/or commissioned artworks.

Ministry of Culture and Community Spirit
Notes to the Consolidated Financial Statements
For the year ended March 31, 2009

Note 6 Collections (continued)

- (i) The Glenbow-Alberta Institute, under contract to the Province of Alberta, manages the care of, and access to, a publicly owned collection of approximately 227,000 artifacts in cultural history, military history, ethnology, art and mineralogy, approximately 5.5 shelf kilometres of textual and archival records, over 2,100,000 historical photographs, about 350 hours of film footage and 7,200 sound recordings.
- (j) The Government House Foundation actively collects various significant items pertaining to the history of Government House. The collection is accessible to the public and consists of paintings, drawings, prints, sculptures, furnishings, books and silverware. The majority of the collection is used or displayed in the Government House, while some items are on loan to other provincial institutions.

At March 31, 2009, the collection consisted of approximately 398 (2008 – 392) pieces of artworks and other items, with an approximate value of \$985,000 (2008 – \$981,000). During the year, the Foundation made no artworks purchases (2008 – Nil). Contributions to the collection included 6 artifacts with an appraised value of \$4,100 (2008 – Nil) and there were no dispositions during the year (2008 – Nil).

- (k) The Alberta Foundation for the Arts actively collects visual artworks, which document the Province's significant visual artistic achievement. The collection is accessible to the public and consists of paintings, sculptures, drawings, photographs, ceramics, glass, fibre and prints. At March 31, 2009, the collection consisted of approximately 7,835 (2008 – 7,641) artworks with an approximate value of \$10,496,850 (2008 – \$9,506,000). During the year, the Foundation purchased 190 (2008 – 116) artworks by Alberta artists at a total cost of \$716,550 (2008 – \$402,750). Contributions to the collection included 4 (2008 – 15) artworks with an appraised value of \$274,300 (2008 – \$13,240). There were no artwork dispositions during the year (2008 – Nil).
- (l) The Alberta Historical Resources Foundation has a collection of historical assets which is comprised of paintings, sketches, photographs and antique furnishings. At year end, the collection consisted of 376 (2008 – 379) artworks with an estimated value of \$16,060 (2008 – \$16,150), and 30 (2008 – 30) antique furnishings estimated at \$12,700 (2008 – \$12,700). During the year, the Alberta Historical Resources Foundation did not acquire any historical assets (2008 – Nil). There were three artwork dispositions during the year (2008 – Nil). The collection is insured.

Ministry of Culture and Community Spirit
Notes to the Consolidated Financial Statements
For the year ended March 31, 2009

Note 7 Net Assets (Liabilities) (thousands of dollars)

	2009	2008 Restated (Note 3)
Unrestricted Funds	\$ (135,115)	\$ 4,806
Endowment Funds	6,500	6,500
Externally Restricted Funds	1,414	2,035
General Reserves	1,967	1,967
Internally Restricted Funds	7,535	6,565
	<u>\$ (117,699)</u>	<u>\$ 21,873</u>

Note 8 Contractual Obligations (thousands of dollars)

	2009	2008 Restated (Note 3)
Grant Agreements	\$ 32,549	\$ 113,595
Long-term Leases	80	213
Service Contracts	20,774	23,380
Capital Construction Contracts	358	-
	<u>\$ 53,761</u>	<u>\$ 137,188</u>

The aggregate amounts payable for the unexpired terms of these contractual obligations are as follows:

	Grant Agreements	Long-term Leases	Service Contracts	Capital Construction Contracts	Total
2010	\$ 19,380	\$ 64	\$ 15,187	\$ 358	\$ 34,989
2011	7,532	15	5,458	-	13,005
2012	3,430	1	129	-	3,560
2013	1,537	-	-	-	1,537
2014	634	-	-	-	634
Thereafter	36	-	-	-	36
	<u>\$ 32,549</u>	<u>\$ 80</u>	<u>\$ 20,774</u>	<u>\$ 358</u>	<u>\$ 53,761</u>

Ministry of Culture and Community Spirit
Notes to the Consolidated Financial Statements
For the year ended March 31, 2009

Note 9 Contingent Liabilities (thousands of dollars)

At March 31, 2009, the Ministry is a defendant in one legal claim (2008 – two legal claims as restated). This claim has a specified amount totalling \$3,000 (2008 – two claims having specified amounts totalling \$3,550 as restated). In this claim (2008 – one claim amounting to \$3,000 as restated) the Ministry has been jointly named with other entities. This claim amounting to \$3,000 (2008 – two claims amounting to \$3,550 as restated) is covered by the Alberta Risk Management Fund.

The resulting loss, if any, from these claims cannot be determined.

Certain contingent liabilities may exist for site remediation and reclamation in addition to the environment obligations recorded in the financial statements, which are described in Note 2. Due to uncertainty surrounding these circumstances it is not possible to determine the likelihood or amount of these contingent liabilities.

Note 10 Trust Funds Under Administration (thousands of dollars)

The Ministry administers trust funds that are regulated funds consisting of public money over which the Legislature has no power of appropriation. Because the Province has no equity in the funds and administers them for the purposes of various trusts, they are not included in the Ministry's financial statements.

As at March 31, 2009, trust funds under administration were as follows:

	2009	2008 Restated (Note 3)
Fort Dunvegan Historical Society Trust Fund	\$ 4	\$ 6
	<u>\$ 4</u>	<u>\$ 6</u>

Ministry of Culture and Community Spirit
Notes to the Consolidated Financial Statements
For the year ended March 31, 2009

Note 11 Benefit Plans (thousands of dollars)

The Ministry participates in the multi-employer Management Employees Pension Plan and Public Service Pension Plan. The Ministry also participates in the multi-employer Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contributions of \$3,632 for the year ended March 31, 2009 (2008 – \$3,125 as restated).

At December 31, 2008, the Management Employees Pension Plan reported a deficiency of \$568,574 (2007 – \$84,341) and the Public Service Pension Plan reported a deficiency of \$1,187,538 (2007 – \$92,509 as restated). At December 31, 2008, the Supplementary Retirement Plan for Public Service Managers had a deficiency of \$7,111 (2007 – surplus of \$1,510).

The Ministry also participates in two multi-employer Long Term Disability Income Continuance Plans. At March 31, 2009, the Bargaining Unit Plan reported an actuarial deficiency of \$33,540 (2008 – \$6,319) and the Management, Opted Out and Excluded Plan an actuarial deficiency of \$1,051 (2008 – actuarial surplus of \$7,874). The expense for these two plans is limited to the employer's annual contributions for the year.

Note 12 Comparative Figures

Certain 2008 figures have been reclassified to conform to the 2009 presentation.

Note 13 Approval of Consolidated Financial Statements

The consolidated financial statements were approved by the Senior Financial Officer and the Deputy Minister.

Ministry of Culture and Community Spirit
Revenues
For the year ended March 31, 2009
(thousands of dollars)

	2009		2008
	Budget	Actual	Actual Restated (Note 3)
Internal Government Transfers			
Transfer from the Lottery Fund	\$ 475,467	\$ 456,818	\$ 378,970
Transfer from Alberta Heritage Scholarship Fund	80	60	58
	<u>475,547</u>	<u>456,878</u>	<u>379,028</u>
Transfers from the Government of Canada			
Building Canada Fund	-	19,000	-
Historic Places Initiative	443	541	660
Other	83	233	67
	<u>526</u>	<u>19,774</u>	<u>727</u>
Investment Income			
Interest	1,981	1,533	1,815
Premiums, Fees and Licences			
Admission Fees	3,725	4,204	4,380
Film Classification	750	779	735
Lands and Grazing	-	22	21
Other	507	175	161
	<u>4,982</u>	<u>5,180</u>	<u>5,297</u>
Other Revenue			
Recoveries	4,667	3,104	2,806
Donations and Contributions in Kind	1,446	109	2,174
Prior Year Refunds of Expenses	560	1,134	880
Sales	-	2,416	2,483
Rental Revenue	4,009	2,500	4,161
Unconditional Gifts	-	1,021	-
Other	517	1,181	258
	<u>11,199</u>	<u>11,465</u>	<u>12,762</u>
Total Revenues	<u>\$ 494,235</u>	<u>\$ 494,830</u>	<u>\$ 399,629</u>

Ministry of Culture and Community Spirit
Dedicated Revenue Initiatives
For the year ended March 31, 2009
(thousands of dollars)

	2009		
	Authorized Dedicated Revenues	Actual Dedicated Revenues ^(a)	(Shortfall) / Excess ^(e)
Acquisition of Historical Collections ^(b)	\$ 1,000	\$ 745	\$ (255)
Historic Resources Management ^(c)	560	541	98
Royal Alberta Museum ^(d)	383	293	(207)
	<u>\$ 1,943</u>	<u>\$ 1,579</u>	<u>\$ (364)</u>

- ^(a) Revenues from dedicated revenue initiatives are included in the Ministry's revenues in the Statement of Operations and Schedule 1.
- ^(b) Acquisition of Historical Collections dedicated revenue is related to donations of artifacts and other items to various historic sites and museums.
- ^(c) The Government of Canada provided funding to provinces and territories to further the goals of the Historic Places Initiative. The funds are intended to promote development of the Canadian Register of Historic Places, use of nation-wide standards and guidelines and, in particular, greater municipal involvement in the identification and protection of historic places.
- ^(d) Funding to the Royal Alberta Museum is provided for the Alberta Biodiversity Monitoring Program.
- ^(e) Shortfall is deducted from current year's authorized budget, as disclosed in Schedules 4 to the financial statements.

Ministry of Culture and Community Spirit
Expenses – Directly Incurred Detailed By Object
For the year ended March 31, 2009
(thousands of dollars)

	2009		2008
	Budget	Actual	Actual Restated (Note 3)
Grants	\$ 463,977	\$ 441,508	\$ 371,805
Supplies and Services	40,342	36,494	31,765
Supplies and Services from Support Service			
Arrangements with Related Parties ^(a)	-	1,077	37
Salaries, Wages and Employee Benefits	46,562	44,356	38,552
Amortization of Tangible Capital Assets	1,751	1,576	1,105
Financial Transactions and Other	101	101	115
Total Expenses before Recoveries	552,733	525,112	443,379
Less: Recovery from Support Service			
Arrangements with Related Parties ^(b)	-	(1,395)	-
	<u><u>\$ 552,733</u></u>	<u><u>\$ 523,717</u></u>	<u><u>\$ 443,379</u></u>
Valuation Adjustments			
Provision for Environmental Obligations	\$ -	\$ -	\$ (406)
Provision for Doubtful Accounts	-	3	1
Provision for Write-down of Inventory	-	8	-
Provision for Vacation Pay and Banked Overtime	90	245	459
	<u><u>\$ 90</u></u>	<u><u>\$ 256</u></u>	<u><u>\$ 54</u></u>

- ^(a) The Ministry received Freedom of Information and Privacy (FOIP) services from the Ministry of Finance and Enterprise; and Information Management and Technology Services from the Ministry of Tourism, Parks and Recreation.
- ^(b) The Ministry provided Human Resource Services and Policy, Planning and Legislative Services to the Ministry of Tourism, Parks and Recreation, and costs incurred were recovered from the Ministry of Tourism, Parks and Recreation.

Ministry of Culture and Community Spirit
Budget
For the year ended March 31, 2009
(thousands of dollars)

	2008-2009				
	Estimates	Adjustment	Budget	Authorized Supplementary	Authorized Budget
Revenues					
Internal Government Transfers	\$ 475,547	\$ -	\$ 475,547	\$ -	\$ 475,547
Transfers from the Government of Canada	526	-	526	-	526
Investment Income	1,981	-	1,981	-	1,981
Premiums, Fees and Licences	4,982	-	4,982	-	4,982
Other Revenue	11,199	-	11,199	-	11,199
	<u>494,235</u>	<u>-</u>	<u>494,235</u>	<u>-</u>	<u>494,235</u>
Expenses – Directly Incurred					
Culture	78,416	-	78,416	14,000 ^(a)	92,416
Community Lottery Grants	402,321	-	402,321	3,000 ^{(b)(d)}	405,321
Heritage	57,493	-	57,493	(1,513) ^(c)	55,980
Human Rights and Citizenship	7,134	-	7,134	-	7,134
Ministry Support Services	7,369	-	7,369	-	7,369
Dedicated Revenue Shortfall	-	(364) ^(c)	(364)	-	(364)
	<u>552,733</u>	<u>(364)</u>	<u>552,369</u>	<u>15,487</u>	<u>567,856</u>
Valuation Adjustments					
Provision for Vacation Pay and Banked Overtime	90	-	90	-	90
	<u>90</u>	<u>-</u>	<u>90</u>	<u>-</u>	<u>90</u>
Gain (Loss) on Disposal of Tangible Capital Assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Operating Results	<u>\$ (58,588)</u>	<u>\$ 364</u>	<u>\$ (58,224)</u>	<u>\$ (15,487)</u>	<u>\$ (73,711)</u>
Equipment/Inventory Purchases	<u>\$ 3,060</u>	<u>\$ -</u>	<u>\$ 3,060</u>	<u>\$ (137) ^(c)</u>	<u>\$ 2,923</u>
Capital Investment	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,650 ^(c)</u>	<u>\$ 1,650</u>

^(a) Treasury Board authorized a one-time increase of \$14,000 for the Film Development program.

^(b) Treasury Board authorized an increase of \$2,000 to support fibre installation in the Olds region for access to Alberta's SuperNet.

^(c) Treasury Board authorized a transfer of \$1,513 from operating expense and \$137 from equipment/inventory purchases to capital investment for various Heritage Infrastructure projects.

^(d) Treasury Board authorized a transfer of \$1,000 from Alberta Infrastructure to support fibre installation in the Olds region for access to Alberta's SuperNet and to assist with the community component of a fire-damaged church in Whitecourt.

^(e) Adjustments include dedicated revenue shortfalls (Schedule 2).

Ministry of Culture and Community Spirit
Related Party Transactions
For the year ended March 31, 2009
(thousands of dollars)

Related parties are those entities consolidated or accounted for on the modified equity basis in the Province of Alberta's financial statements. Related parties also include management in the Ministry.

The Ministry and its employees paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users and have been excluded from this Schedule.

The Ministry had the following transactions with related parties recorded on the consolidated Statement of Operations and the consolidated Statement of Financial Position at the amount of consideration agreed upon between the related parties.

	Other Entities	
	2009	2008
		Restated (Note 3)
Revenues		
Lottery Fund	\$ 456,818	\$ 378,970
Alberta Heritage Scholarship Fund	60	58
	<u>\$ 456,878</u>	<u>\$ 379,028</u>
Expenses – Directly Incurred		
Grants	\$ 150	\$ -
Other Services	1,471	678
	<u>\$ 1,621</u>	<u>\$ 678</u>
Transfers of Tangible Capital Assets (To) From Others	<u>\$ (179)</u>	<u>\$ 300</u>
Accounts Payable	<u>\$ 991</u>	<u>\$ -</u>
Accounts Receivable	<u>\$ 4,113</u>	<u>\$ 76,487</u>

The above transactions do not include support service arrangement transactions disclosed in Schedule 3.

Ministry of Culture and Community Spirit
Related Party Transactions (continued)
For the year ended March 31, 2009
(thousands of dollars)

The Ministry also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the consolidated financial statements but are disclosed in Schedule 6.

	Other Entities	
	2009	2008 Restated (Note 3)
Expenses – Incurred by Others		
Accommodation Costs	\$ 31,470	\$ 27,646
GOA Learning Centre Training Services	18	-
Legal Services	226	168
Internal Audit Services	244	210
Financial Services	755	714
Transportation Services	159	135
Information Technology Services	1,414	1,513
	<u>\$ 34,286</u>	<u>\$ 30,386</u>

Ministry of Culture and Community Spirit
Allocated Costs
For the year ended March 31, 2009
(thousands of dollars)

Program	2009										2008 Restated (Note 3)
	Expenses – Incurred by Others								Valuation Adjustments ⁽ⁱ⁾		
	GOA Learning										
	Expenses ^(a)	Accommodation Costs ^(b)	Centre Training Services ^(c)	Legal Services ^(d)	Internal Audit Services ^(e)	Financial Services ^(f)	Transportation Services ^(g)	Information Technology Services ^(h)	Provisions	Total Expenses	Total Expenses
Culture	\$ 90,426	\$ 12,312	\$ 4	\$ 10	\$ 11	\$ 150	\$ 30	\$ 277	\$ 53	\$ 103,273	\$ 79,989
Community											
Lottery Grants	367,053	295	-	27	109	53	9	112	14	367,672	317,961
Heritage	52,896	17,888	10	54	58	403	84	748	138	72,279	63,505
Human Rights and Citizenship	6,959	493	2	4	-	67	14	125	23	7,687	7,420
Ministry Support											
Services	6,383	482	2	131	66	82	22	152	28	7,348	4,944
	\$ 523,717	\$ 31,470	\$ 18	\$ 226	\$ 244	\$ 755	\$ 159	\$ 1,414	\$ 256	\$ 558,259	\$ 473,819

^(a) Expenses – Directly Incurred as per Consolidated Statement of Operations, excluding valuation adjustments.

^(b) The Ministry of Infrastructure provided accommodations. Costs shown for Accommodation on Schedule 5, allocated by square footage.

^(c) The Alberta Treasury Board provided training services. Costs shown for Government of Alberta Learning Centre Training Services on Schedule 5, allocated by employee.

^(d) The Ministry of Justice and Attorney General provided legal services. Costs for Legal Services on Schedule 5, allocated by estimated costs incurred by each program.

^(e) The Executive Council provided internal audit services. Costs shown for Internal Audit Services on Schedule 5, allocated by estimated costs incurred by each program.

^(f) The Ministry of Service Alberta provided financial services to the Ministry and the Alberta Gaming and Liquor Commission provided financial services to the Community Lottery grant programs. Costs shown for Financial Services on Schedule 5, allocated to the program.

^(g) The Ministry of Service Alberta and Alberta Treasury Board provided transportation services. Costs shown for Transportation Services on Schedule 5, allocated to the program.

^(h) The Ministry of Service Alberta provided information technology services. Costs shown for Information Technology Services on Schedule 5, allocated to the program.

⁽ⁱ⁾ Valuation Adjustments as per Statement of Operations. Provisions included in Valuation Adjustments were allocated as follows: Vacation Pay and Banked Overtime – allocated to the program by full time equivalent; Doubtful Accounts – allocated to the program.

Ministry of Culture and Community Spirit
Tangible Capital Assets
For the year ended March 31, 2009
(thousands of dollars)

	2009						2008	
	General Capital Assets						Restated	
							(Note 3)	
	Land	Buildings	Computer Hardware and Software	Equipment ^(a)	Other	Land Improvements	Total	Total
Estimated Useful Life	Indefinite	20-40 years	5-8 years	3-20 years	20 years	40 years		
Historical Cost ^(b)								
Beginning of Year	\$ 2,558	\$ 39	\$ 2,090	\$14,985	\$ 724	\$ 281	\$ 20,677	\$ 17,302
Additions	-	259	1,647	2,527	-	1,090	5,523	3,981
Disposals, Including Write-Downs	-	8	(640)	(412)	13	(13)	(1,044)	(905)
Transfers (To) From Others	-	-	(202)	32	-	-	(170)	300
	\$ 2,558	\$ 306	\$ 2,895	\$17,132	\$ 737	\$ 1,358	\$ 24,986	\$ 20,678
Accumulated Amortization								
Beginning of Year	\$ -	\$ -	\$ 538	\$ 5,172	\$ 360	\$ -	\$ 6,070	\$ 5,789
Amortization Expense	-	-	190	1,286	76	24	1,576	1,105
Effect of Disposal	-	-	(151)	(245)	1	-	(395)	(823)
Transfers (To) From Others	-	-	-	9	-	-	9	-
	\$ -	\$ -	\$ 577	\$ 6,222	\$ 437	\$ 24	\$ 7,260	\$ 6,071
Net Book Value at March 31, 2009	\$ 2,558	\$ 306	\$ 2,318	\$10,910	\$ 300	\$ 1,334	\$ 17,726	
Net Book Value at March 31, 2008	\$ 2,558	\$ 39	\$ 1,552	\$ 9,813	\$ 364	\$ 281		\$14,607

^(a) Equipment includes network switches and routers, vehicles, heavy equipment, fire protection equipment, office equipment and furniture, and other equipment.

^(b) Historical cost includes work-in-progress at March 31, 2009 totaling \$3,618 (2008 – \$4,838) comprised of: buildings \$306 (2008 – \$48); computer hardware and software \$1,542 (2008 – \$1,371); equipment \$1,427 (2008 – \$3,138); and land improvements \$343 (2008 – \$281).

Department of Culture and Community Spirit

Financial Statements

March 31, 2009

Department of Culture and Community Spirit
Financial Statements
March 31, 2009

Auditor's Report

Statement of Operations

Statement of Financial Position

Statement of Cash Flows

Notes to the Financial Statements

Schedule 1 – Revenues

Schedule 2 – Dedicated Revenue Initiatives

Schedule 3 – Expenses – Directly Incurred Detailed by Object

Schedule 4 – Budget

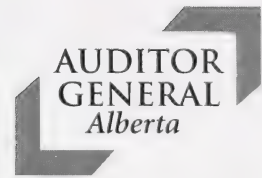
Schedule 5 – Comparison of Expense Directly Incurred, Equipment/Inventory Purchases and Capital Investment,
Statutory Expenses and Non-Budgetary Disbursements by Element to Authorized Budget

Schedule 6 – Salary and Benefits Disclosure

Schedule 7 – Related Party Transactions

Schedule 8 – Allocated Costs

Schedule 9 – Tangible Capital Assets



Auditor's Report

To the Minister of Culture and Community Spirit:

I have audited the statement of financial position of the Department of Culture and Community Spirit as at March 31, 2009 and the statements of operations and cash flows for the year then ended. These financial statements are the responsibility of the Department's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Department as at March 31, 2009 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

A handwritten signature in dark ink, appearing to read 'Fred J. Deum'.

FCA
Auditor General

Edmonton, Alberta
June 10, 2009

Department of Culture and Community Spirit
Statement of Operations
For the year ended March 31, 2009
(thousands of dollars)

	2009		2008
	Budget (Schedule 4)	Actual	Actual Restated (Note 3)
Revenues (Schedules 1 and 2)			
Internal Government Transfers	\$ 475,477	\$ 456,828	\$ 378,980
Transfers from the Government of Canada	443	19,541	660
Premiums, Fees and Licences	750	780	738
Other Revenue	1,920	1,907	2,521
	<u>478,590</u>	<u>479,056</u>	<u>382,899</u>
Expenses – Directly Incurred (Note 2(b) and Schedule 8)			
Voted (Schedules 3 and 5)			
Ministry Support Services	7,369	6,383	4,448
Culture	72,853	84,706	62,457
Community Lottery Grants	402,321	367,053	317,337
Heritage	47,565	43,274	38,692
Human Rights and Citizenship	6,794	6,740	6,392
	<u>536,902</u>	<u>508,156</u>	<u>429,326</u>
Statutory (Schedules 3 and 5)			
Queen's Golden Jubilee Scholarships	10	10	10
Valuation Adjustments			
Provision for Environmental Obligations	-	-	(406)
Provision for Doubtful Accounts	-	3	-
Provision for Vacation Pay and Banked Overtime	90	245	459
	<u>100</u>	<u>258</u>	<u>63</u>
	<u>537,002</u>	<u>508,414</u>	<u>429,389</u>
Write-down of Tangible Capital Assets	-	(649)	-
(Loss) on Disposal of Tangible Capital Assets	-	-	(82)
	<u>-</u>	<u>(649)</u>	<u>(82)</u>
Net Operating Results	<u>\$ (58,412)</u>	<u>\$ (30,007)</u>	<u>\$ (46,572)</u>

The accompanying notes and schedules are part of these financial statements.

Department of Culture and Community Spirit
Statement of Financial Position
As at March 31, 2009
(thousands of dollars)

	<u>2009</u>	<u>2008</u>
		Restated (Note 3)
Financial Assets		
Cash	\$ 15	\$ 16
Accounts Receivable (Note 4)	5,161	77,436
Tangible Capital Assets (Schedule 9)	<u>12,950</u>	<u>9,710</u>
	<u><u>\$ 18,126</u></u>	<u><u>\$ 87,162</u></u>
Liabilities		
Accounts Payable and Accrued Liabilities	<u>\$ 167,924</u>	<u>\$ 97,173</u>
	<u>167,924</u>	<u>97,173</u>
Net Assets (Liabilities)		
Net Assets (Liabilities), Beginning of Year	(10,011)	(16,794)
Net Operating Results	(30,007)	(46,572)
Net Financing Provided (for) from General Revenues	<u>(109,780)</u>	<u>53,355</u>
Net Assets (Liabilities), End of Year	<u>(149,798)</u>	<u>(10,011)</u>
	<u><u>\$ 18,126</u></u>	<u><u>\$ 87,162</u></u>

The accompanying notes and schedules are part of these financial statements.

Department of Culture and Community Spirit
Statement of Cash Flows
For the year ended March 31, 2009
(thousands of dollars)

	2009	2008
		Restated (Note 3)
Operating Transactions		
Net Operating Results	\$ (30,007)	\$ (46,572)
Non-cash Items included in Net Operating Results		
Amortization of Tangible Capital Assets	755	383
Valuation Adjustments	248	53
Write-down of Tangible Capital Assets	649	-
Loss on Disposal of Tangible Capital Assets	-	82
	(28,355)	(46,054)
Decrease (Increase) in Accounts Receivable before Valuation Adjustments	72,272	(68,108)
Increase in Accounts Payable and Accrued Liabilities before Valuation Adjustments	70,506	64,278
Cash Provided by (Applied to) Operating Transactions	114,423	(49,884)
Capital Transactions		
Acquisition of Tangible Capital Assets (Schedules 5 and 9)	(4,823)	(3,170)
Transfers of Tangible Capital Assets to (from) Others	179	(300)
Cash (Applied to) Capital Transactions	(4,644)	(3,470)
Financing Transactions		
Net Financing Provided (for) from General Revenues	(109,780)	53,355
Increase (Decrease) in Cash	(1)	1
Cash, Beginning of Year	16	15
Cash, End of Year	\$ 15	\$ 16

The accompanying notes and schedules are part of these financial statements.

Department of Culture and Community Spirit
Notes to the Financial Statements
For the year ended March 31, 2009

Note 1 Authority and Purpose

The Department of Culture and Community Spirit (Department) operates under the authority of the *Government Organization Act*, Chapter G-10, Revised Statutes of Alberta 2000.

The purpose of the Department is to promote, develop and preserve Alberta's culture and heritage in support of vibrant and inclusive communities. This is done by:

- Fostering the sustainability and appreciation of Alberta's cultural industries and the arts;
- Supporting Alberta's communities and the non-profit/voluntary sector;
- Promoting and preserving Alberta's rich heritage; and
- Protecting human rights, promoting fairness and access, and supporting the inclusion of all Albertans.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with Canadian generally accepted accounting principles for the public sector as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants (PSAB). The PSAB financial statements presentation standard for government summary financial statements has been modified to more appropriately reflect the nature of the departments.

(a) Reporting Entity

The reporting entity is the Department of Culture and Community Spirit, which is part of the Ministry of Culture and Community Spirit (Ministry) and for which the Minister of Culture and Community Spirit (the Minister) is accountable. The Ministry Annual Report provides a more comprehensive accounting of the financial position and results of the Ministry's operations for which the Minister is accountable. Other entities reporting to the Minister are:

- Alberta Foundation for the Arts;
- The Alberta Historical Resources Foundation;
- The Government House Foundation;
- Historic Resources Fund;
- Human Rights, Citizenship and Multiculturalism Education Fund; and
- The Wild Rose Foundation.

Department of Culture and Community Spirit
Notes to the Financial Statements
For the year ended March 31, 2009

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(a) Reporting Entity (continued)

The activities of these organizations are not included in these financial statements.

All departments of the Government of Alberta operate within the General Revenue Fund (the Fund). The Fund is administered by the Minister of Finance and Enterprise. All cash receipts of departments are deposited into the Fund and all cash disbursements made by departments are paid from the Fund. Net Financing provided from (for) General Revenues is the difference between all cash receipts and all cash disbursements made.

(b) Basis of Financial Reporting

Revenues

All revenues are reported on the accrual basis of accounting. Cash received for which goods or services have not been provided by year end is recorded as unearned revenue.

Donations are recognized as revenues when they are received. Donations of materials and services that would otherwise have been purchased are recorded at fair value at the date of donation when fair value can reasonably be determined.

Internal Government Transfers

Internal government transfers are transfers between entities within the government reporting entity where the entity making the transfer does not receive any goods or services directly in return.

Transfers from Government of Canada

Transfers from Government of Canada are recognized as revenue when authorized by federal legislation or federal/provincial agreements, eligibility criteria if any are met and a reasonable estimate of the amounts can be made.

Dedicated Revenue

Dedicated revenue initiatives provide a basis for authorizing spending. Dedicated revenues are shown as credits or recoveries in the details of the Government Estimates for a supply vote. If budgeted revenues are not fully realized, spending is reduced by an equivalent amount. If actual dedicated revenues exceed budget, the Department may, with the approval of the Treasury Board, use the excess revenue to fund additional expenses on the program. Schedule 2 discloses information on the Department's dedicated revenue initiatives.

Department of Culture and Community Spirit
Notes to the Financial Statements
For the year ended March 31, 2009

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Expenses

Directly Incurred

Directly incurred expenses are those costs the Department has primary responsibility and accountability for, as reflected in the Government's budget documents.

Grants are recorded as expenses when authorized and when all eligibility criteria have been satisfied.

In addition to program operating expenses like salaries, supplies, etc., directly incurred expenses also include:

- Amortization of tangible capital assets;
- Pension costs which comprise the cost of employer contributions for current service of employees during the year; and
- Valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to vacation pay, banked overtime and environmental obligations.

Incurred by Others

Services contributed by other entities in support of the Department operations are disclosed in Schedule 8.

Assets

Financial assets of the Department are limited to cash and financial claims, such as advances to and receivables from other organizations, employees and other individuals.

Assets acquired by right are not included. Tangible capital assets of the Department are recorded at historical cost and are amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is \$100,000 and the threshold for all other tangible capital assets is \$5,000. All land is capitalized.

Department of Culture and Community Spirit
Notes to the Financial Statements
For the year ended March 31, 2009

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Assets (continued)

Donated tangible capital assets are recorded at their fair value at the time of contribution.

When physical assets (tangible capital assets and inventories) are gifted or sold for a nominal sum, the fair values of these physical assets less any nominal proceeds are recorded as grants in kind.

Collections of historic and scientific artifacts, archival holdings and works of art held by the Department are not recorded as assets. Purchases of collection items are expensed in the period in which the items are acquired. Donations of artworks and collection items are reported as revenue and expenses at their fair value when fair value can be determined. When fair value cannot be reasonably determined, these donations are recorded at nominal value.

Liabilities

Liabilities are recorded to the extent that they represent present obligations as a result of events and transactions occurring prior to the end of fiscal year. The settlement of liabilities will result in sacrifice of economic benefits in the future.

Environmental obligations are recorded as liabilities when there is little or no discretion to avoid settlement of the obligation and a reasonable estimate of the amount can be made.

Net Assets/Net Liabilities

Net assets/net liabilities represents the difference between the carrying value of assets held by the Department and its liabilities.

Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of cash, accounts receivable, advances and accounts payable and accrued liabilities are estimated to approximate their carrying values because of the short term nature of these instruments.

Department of Culture and Community Spirit
Notes to the Financial Statements
For the year ended March 31, 2009

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Measurement Uncertainty (thousands of dollars)

Measurement uncertainty exists when there is a variance between the recognized or disclosed amount and another reasonably possible amount. Environmental obligations are included in accounts payable and accrued liabilities in the amount of \$4,849 (2008 – \$7,241) for Heritage, based on management's best estimates that reflect the environmental information known at the time. Further environmental assessments, changes in environmental legislation or other unanticipated changes may affect these estimates.

Note 3 Government Reorganization/Program Transfers (thousands of dollars)

The Department of Culture and Community Spirit was established as a result of restructuring of government ministries announced on March 12, 2008 and other transfer of responsibilities to and from other departments. Comparatives for 2008 have been restated as if the Department had always been assigned with its current responsibilities. Net assets (liabilities) on March 31, 2007 is made up as follows:

Net assets as previously reported	\$ 249,191
Transfer to the Department of Tourism, Parks and Recreation	(265,285)
Transfer to the Department of Employment and Immigration (Francophone Secretariat Program)	(250)
Transfer to the Department of International and Intergovernmental Relations (First Nations Development Fund)	-
Transfer from the Department of Municipal Affairs (Community and Voluntary Services)	(450)
	<hr/>
Net assets (liabilities) at March 31, 2007	<u>\$ (16,794)</u>

Based on an agreement between the Departments of Service Alberta and Culture and Community Spirit, effective April 1, 2008, the Department of Culture and Community Spirit transferred the budgetary responsibility for the functional reporting of information technology services to the Department of Service Alberta. This resulted in the restatement of comparative figures for 2007-08 which increased net operating results by \$906 and decreased net financing provided from General Revenues by \$906.

Department of Culture and Community Spirit
Notes to the Financial Statements
For the year ended March 31, 2009

Note 4 Accounts Receivable (thousands of dollars)

	2009			2008
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Restated (Note 3) Net Realizable Value
Accounts Receivable	\$ 4,943	\$ -	\$ 4,943	\$ 77,376
Refunds from Suppliers	218	-	218	60
	<u>\$ 5,161</u>	<u>\$ -</u>	<u>\$ 5,161</u>	<u>\$ 77,436</u>

Accounts receivable are unsecured and non-interest bearing.

Note 5 Collections

Collections consist of historical and scientific artifacts, archival holdings and works of art of provincial, national and international significance located in the archives, museums and historical sites of the Province of Alberta. The Department has not recorded the value of these collections in the financial statements due to the practical difficulties of reflecting them at a meaningful value. The collections are insured for \$434 million. A description of the major collections is as follows:

- (a) The Province, through the Historic Sites and Museums Branch, preserves, operates and presents Alberta's history as is represented through 3 museums, 3 interpretive centres and 9 historic sites that contain 48 restored historic buildings/structures and 3 stabilized ruins. As well, it administers an additional 3 historic sites which contain 58 undeveloped historic buildings/structures and 12 newly acquired but unrestored buildings. In addition, the Branch owns 1 developed historic resource (leased to a society), 13 cairns, 4 archaeological sites and 1 palaeontological site. In total, the Department owns 1,904 hectares of land deemed to be of historic significance.
- (b) The Royal Alberta Museum maintains 13 Curatorial programs, with total collection holdings comprising approximately 12.3 million objects. This includes more than 1,393,000 objects on-site, over 23,200 warehoused objects off site and another estimated 10,948,000 archaeological artifacts collected as part of the Archaeological Survey of Alberta permit process. The collections represent a highly diverse complement of cultural and natural heritage. These include mammals, birds, fish, insects, plants, minerals, gems, First Nations ethnographical material, military and cultural history artifacts, coins, as well as industrial, domestic and textile collections; and the permitted archaeological materials recovered in Alberta, all with associated documentation and in many cases images and other media.

Department of Culture and Community Spirit
Notes to the Financial Statements
For the year ended March 31, 2009

Note 5 Collections (continued)

- (c) The Royal Tyrrell Museum of Palaeontology collection has over 122,000 catalogued items including original and replica fossils. Annually, approximately 2,000 specimens are accessioned into the collection.
- (d) Reynolds-Alberta Museum exhibits approximately 160 major agricultural, industrial and transportation artifacts, and provides conservation, maintenance and restoration services for an additional collection of approximately 3,290 major and 3,575 smaller artifacts. Included in these numbers are 88 vintage aircraft, the second largest collection in Canada. The museum also houses a collection of documents, numbering over 60,000 pieces, related to the museum's mechanization themes.
- (e) The Remington Carriage Museum houses one of the largest collections of horse drawn vehicles in North America, with 276 carriages, buggies, wagons and sleighs, and approximately 690 associated small artifacts.
- (f) The Ukrainian Cultural Heritage Village is responsible for the management of Historic Sites' collection of approximately 53,800 artifacts. Approximately 5,000 of these objects are used to furnish various smaller sites throughout the province, and 8,000 objects furnish the historic buildings at the Ukrainian Cultural Heritage Village. The remaining artifacts are preserved in storage.
- (g) The Provincial Archives of Alberta holds approximately 42,970 linear metres of government textual records, 4,970 linear metres of private textual records, 65,440 maps, 30,000 architectural drawings, 2,190,890 photographic images, 47,300 hours of sound recordings, 68,620 hours of film and video materials and 13,130 volumes of library holdings.
- (h) The Arts Section of the Arts Branch manages 14 collections containing approximately 1,500 donated, purchased and/or commissioned artworks.
- (i) The Glenbow-Alberta Institute, under contract to the Province of Alberta, manages the care of, and access to, a publicly owned collection of approximately 227,000 artifacts in cultural history, military history, ethnology, art and mineralogy, approximately 5.5 shelf kilometres of textual and archival records, over 2,100,000 historical photographs, about 350 hours of film footage and 7,200 sound recordings.

Department of Culture and Community Spirit
Notes to the Financial Statements
For the year ended March 31, 2009

Note 6 Contractual Obligations (thousands of dollars)

	2009	2008
		Restated (Note 3)
Grant Agreements	\$ 23,743	\$ 102,300
Long-term Leases	72	199
Service Contracts	10,368	14,730
Capital Construction Contracts	358	-
	<u>\$ 34,541</u>	<u>\$ 117,229</u>

The aggregate amounts payable for the unexpired terms of these contractual obligations are as follows:

	Grant Agreements	Long-term Leases	Service Contracts	Capital Construction Contracts	Total
2010	\$ 14,229	\$ 58	\$ 5,736	\$ 358	\$ 20,381
2011	5,264	13	4,632	-	9,909
2012	2,700	1	-	-	2,701
2013	1,025	-	-	-	1,025
2014	525	-	-	-	525
	<u>\$ 23,743</u>	<u>\$ 72</u>	<u>\$ 10,368</u>	<u>\$ 358</u>	<u>\$ 34,541</u>

Grant commitments in the amount of \$1,440 and service contracts for the Leadership and Board Development programs in the amount of \$40 relating to the Wild Rose Foundation at March 31, 2009 will be funded by the Department, and are not included in the Department contractual obligations.

Department of Culture and Community Spirit
Notes to the Financial Statements
For the year ended March 31, 2009

Note 7 Contingent Liabilities (thousands of dollars)

At March 31, 2009, the Department is a defendant in one legal claim (2008 – two legal claims as restated). This claim has a specified amount totalling \$3,000 (2008 – two claims having specified amounts totalling \$3,550 as restated). In this claim (2008 – one claim amounting to \$3,000 as restated) the Department has been jointly named with other entities. This claim amounting to \$3,000 (2008 – two claims amounting to \$3,550 as restated) is covered by the Alberta Risk Management Fund.

The resulting loss, if any, from these claims cannot be determined.

Certain contingent liabilities may exist for site remediation and reclamation in addition to the environment obligations recorded in the financial statements, which are described in Note 2. Due to uncertainty surrounding these circumstances it is not possible to determine the likelihood or amount of these contingent liabilities.

Note 8 Trust Funds Under Administration (thousands of dollars)

The Department administers trust funds that are regulated funds consisting of public money over which the Legislature has no power of appropriation. Because the Province has no equity in the funds and administers them for the purposes of various trusts, they are not included in the Department's financial statements.

As at March 31, 2009, trust funds under administration were as follows:

	2009	2008 Restated (Note 3)
Fort Dunvegan Historical Society Trust Fund	\$ 4	\$ 6
	<u>\$ 4</u>	<u>\$ 6</u>

Department of Culture and Community Spirit
Notes to the Financial Statements
For the year ended March 31, 2009

Note 9 Benefit Plans (thousands of dollars)

The Department participates in the multi-employer Management Employees Pension Plan and Public Service Pension Plan. The Department also participates in the multi-employer Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contributions of \$3,632 for the year ended March 31, 2009 (2008 – \$3,125 as restated).

At December 31, 2008, the Management Employees Pension Plan reported a deficiency of \$568,574 (2007 – \$84,341) and the Public Service Pension Plan reported a deficiency of \$1,187,538 (2007 – \$92,509 as restated). At December 31, 2008, the Supplementary Retirement Plan for Public Service Managers had a deficiency of \$7,111 (2007 – surplus of \$1,510).

The Department also participates in two multi-employer Long Term Disability Income Continuance Plans. At March 31, 2009, the Bargaining Unit Plan reported an actuarial deficiency of \$33,540 (2008 – \$6,319) and the Management, Opted Out and Excluded Plan an actuarial deficiency of \$1,051 (2008 – actuarial surplus of \$7,874). The expense for these two plans is limited to the employer's annual contributions for the year.

Note 10 Comparative Figures

Certain 2008 figures have been reclassified to conform to the 2009 presentation.

Note 11 Approval of Financial Statements

The financial statements were approved by the Senior Financial Officer and the Deputy Minister.

Department of Culture and Community Spirit
Revenues
For the year ended March 31, 2009
(thousands of dollars)

	2009		2008
	Budget	Actual	Actual Restated (Note 3)
Internal Government Transfers			
Transfers from the Lottery Fund	\$ 475,467	\$ 456,818	\$ 378,970
Transfers from the Alberta Heritage Scholarship Fund	10	10	10
	<u>475,477</u>	<u>456,828</u>	<u>378,980</u>
Transfers from the Government of Canada			
Building Canada Fund	-	19,000	-
Historic Places Initiative	443	541	660
	<u>443</u>	<u>19,541</u>	<u>660</u>
Premiums, Fees and Licences			
Film Classification	750	779	735
Other	-	1	3
	<u>750</u>	<u>780</u>	<u>738</u>
Other Revenue			
Contributions in Kind	1,000	747	1,744
Prior Years Refunds of Expenses	420	852	620
Other	500	308	157
	<u>1,920</u>	<u>1,907</u>	<u>2,521</u>
	<u>\$ 478,590</u>	<u>\$ 479,056</u>	<u>\$ 382,899</u>

Department of Culture and Community Spirit
Dedicated Revenue Initiatives
For the year ended March 31, 2009
(thousands of dollars)

	2009		
	Authorized Dedicated Revenues	Actual Dedicated Revenues ^(a)	(Shortfall) / Excess ^(e)
Acquisition of Historical Collections ^(b)	\$ 1,000	\$ 745	\$ (255)
Historic Resources Management ^(c)	443	541	98
Royal Alberta Museum ^(d)	500	293	(207)
	<u>\$ 1,943</u>	<u>\$ 1,579</u>	<u>\$ (364)</u>

- ^(a) Revenues from dedicated revenue initiatives are included in the Department's revenues in the Statement of Operations and Schedule 1.
- ^(b) Acquisition of Historical Collections dedicated revenue is related to donations of artifacts and other items to various historic sites and museums.
- ^(c) The Government of Canada provided funding to provinces and territories to further the goals of the Historic Places Initiative. The funds are intended to promote development of the Canadian Register of Historic Places, use of nation-wide standards and guidelines and, in particular, greater municipal involvement in the identification and protection of historic places.
- ^(d) Funding to the Royal Alberta Museum is provided for the Alberta Biodiversity Monitoring Program.
- ^(e) Shortfall is deducted from current year's authorized budget, as disclosed in Schedules 4 and 5 to the financial statements.

**Department of Culture and Community Spirit
Expenses – Directly Incurred Detailed By Object
For the year ended March 31, 2009
(thousands of dollars)**

	2009		2008
	Budget	Actual	Actual Restated (Note 3)
Voted			
Salaries, Wages and Employee Benefits	\$ 46,562	\$ 44,356	\$ 38,552
Supplies and Services	21,013	16,916	14,387
Supplies and Services from Support Service			
Arrangements with Related Parties ^(a)	-	1,045	37
Grants	473,397	451,631	379,862
Financial Transactions and Other	101	101	115
Amortization of Tangible Capital Assets	931	755	383
Total Voted Expenses before Recoveries	542,004	514,804	433,336
Less: Recovery from Support Service			
Arrangements with Related Parties ^(b)	(5,102)	(6,648)	(4,010)
	<u>\$ 536,902</u>	<u>\$ 508,156</u>	<u>\$ 429,326</u>
Statutory			
Grants	\$ 10	\$ 10	\$ 10
Valuation Adjustments			
Provision for Environmental Obligations	-	-	(406)
Provision for Doubtful Accounts	-	3	-
Provision for Vacation Pay and Banked Overtime	90	245	459
	<u>\$ 100</u>	<u>\$ 258</u>	<u>\$ 63</u>

^(a) The Department received Freedom of Information and Privacy (FOIP) services from the Department of Finance and Enterprise; and Information Management and Technology Services from the Department of Tourism, Parks and Recreation.

^(b) The Department provided financial and administrative services to the funds and agencies of the Ministry of Culture and Community Spirit, and costs incurred by the Department for these services were recovered from the funds and agencies of the Ministry of Culture and Community Spirit. The Department provided Human Resource Services and Policy, Planning and Legislative Services to the Department of Tourism, Parks and Recreation, and costs incurred were recovered from the Department of Tourism, Parks and Recreation.

Department of Culture and Community Spirit
Budget
For the year ended March 31, 2009
(thousands of dollars)

	2008-2009				
	Estimates	Adjustment	Budget	Authorized Supplementary	Authorized Budget
Revenues					
Internal Government Transfers	\$ 475,477	\$ -	\$ 475,477	\$ -	\$ 475,477
Transfers from the Government of Canada	443	-	443	-	443
Premiums, Fees and Licences	750	-	750	-	750
Other Revenue	1,920	-	1,920	-	1,920
	<u>478,590</u>	<u>-</u>	<u>478,590</u>	<u>-</u>	<u>478,590</u>
Expenses – Directly Incurred					
Voted Expenses					
Ministry Support Services	7,369	-	7,369	-	7,369
Culture	72,853	-	72,853	14,000 ^(a)	86,853
Community Lottery Grants	402,321	-	402,321	3,000 ^{(b) (d)}	405,321
Heritage	47,565	-	47,565	(1,513) ^(c)	46,052
Human Rights and Citizenship	6,794	-	6,794	-	6,794
Dedicated Revenue Shortfall	-	(364) ^(e)	(364)	-	(364)
	<u>536,902</u>	<u>(364)</u>	<u>536,538</u>	<u>15,487</u>	<u>552,025</u>
Statutory Expenses					
Queen's Golden Jubilee Scholarships	10	-	10	-	10
Valuation adjustments					
Provision for Environmental Obligations	-	-	-	-	-
Provision for Doubtful Accounts	-	-	-	-	-
Provision for Vacation Pay	90	-	90	-	90
	<u>100</u>	<u>-</u>	<u>100</u>	<u>-</u>	<u>100</u>
Gain (Loss) on Disposal of Tangible Capital Assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Operating Results	<u>\$ (58,412)</u>	<u>\$ (364)</u>	<u>\$ (58,048)</u>	<u>\$ (15,487)</u>	<u>\$ (73,535)</u>
Equipment/Inventory Purchases	<u>\$ 2,395</u>	<u>\$ -</u>	<u>\$ 2,395</u>	<u>\$ (137) ^(c)</u>	<u>\$ 2,258</u>
Capital Investment	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,650 ^(c)</u>	<u>\$ 1,650</u>

Department of Culture and Community Spirit
Budget (continued)
For the year ended March 31, 2009
(thousands of dollars)

- (a) Treasury Board authorized a one-time increase of \$14,000 for the Film Development program.
- (b) Treasury Board authorized an increase of \$2,000 to support fibre installation in the Olds region for access to Alberta's SuperNet.
- (c) Treasury Board authorized a transfer of \$1,513 from operating expense and \$137 from equipment/inventory purchases to capital investment for various Heritage Infrastructure projects.
- (d) Treasury Board authorized a transfer of \$1,000 from Alberta Infrastructure to support fibre installation in the Olds region for access to Alberta's SuperNet and to assist with the community component of a fire-damaged church in Whitecourt.
- (e) Adjustments include dedicated revenue shortfalls (Schedule 2).

Department of Culture and Community Spirit
Comparison of Expenses – Directly Incurred, Equipment/Inventory Purchases and Capital Investment,
Statutory Expenses and Non-Budgetary Disbursements by Element to Authorized Budget
For the year ended March 31, 2009
(thousands of dollars)

	2008-09 Estimates	Adjustments	2008-09 Budget	2008-09 Authorized Supplementary ^(a)	2008-09 Authorized Budget	2008-09 Actual ^(b)	Unexpended (Over Expended)
Voted Operating Expense and Equipment/Inventory Purchases and Capital Investment							
1 Ministry Support Services							
1.0.1 Minister's Office	\$ 549	\$ -	\$ 549	\$ -	\$ 549	\$ 524	\$ 25
1.0.2 Deputy Minister's Office	713	-	713	-	713	688	25
1.0.3 Strategic Corporate Services							
Operating Expense	3,144	-	3,144	-	3,144	2,798	346
Equipment/Inventory Purchases	-	-	-	-	-	64	(64)
1.0.4 Corporate Costs							
Operating Expense	1,936	-	1,936	-	1,936	1,348	588
Equipment/Inventory Purchases	395	-	395	-	395	1,374	(979)
1.0.5 Communications	346	-	346	-	346	410	(64)
1.0.6 Human Resources	681	-	681	-	681	615	66
	7,764	-	7,764	-	7,764	7,821	(57)
2 Culture							
2.0.1 Program Support							
Operating Expense	1,077	-	1,077	-	1,077	1,056	21
Equipment/Inventory Purchases	-	-	-	-	-	6	(6)
2.0.2 Arts							
Operating Expense	2,091	-	2,091	-	2,091	1,472	619
Equipment/Inventory Purchases	-	-	-	-	-	109	(109)
2.0.3 Voluntary Sector Services							
Operating Expense	4,586	-	4,586	-	4,586	4,907	(321)
Equipment/Inventory Purchases	-	-	-	-	-	-	-
2.0.4 Alberta Film Commission	659	-	659	-	659	645	14
2.0.5 Alberta Film Development Program							
Operating Expense	-	-	-	14,000 ^(d)	14,000	11,596	2,404
Operating Expense funded by Lotteries	19,690	-	19,690	-	19,690	19,690	-
2.0.6 Cultural Initiatives							
Operating Expense	500	-	500	-	500	1,090	(590)
Operating Expense funded by Lotteries	750	-	750	-	750	750	-
2.0.7 Assistance to the Alberta Foundation for the Arts							
Operating Expense funded by Lotteries	34,984	-	34,984	-	34,984	34,984	-
2.0.8 Assistance to the Wild Rose Foundation							
Operating Expense funded by Lotteries	8,516	-	8,516	-	8,516	8,516	-
	72,853	-	72,853	14,000	86,853	84,821	2,032

Department of Culture and Community Spirit
Comparison of Expenses – Directly Incurred, Equipment/Inventory Purchases and Capital Investment,
Statutory Expenses and Non-Budgetary Disbursements by Element to Authorized Budget (continued)
For the year ended March 31, 2009
(thousands of dollars)

	2008-09 Estimates	Adjustments	2008-09 Budget	2008-09 Authorized Supplementary ^(a)	2008-09 Authorized Budget	2008-09 Actual ^(b)	Unexpended (Over Expended)
3 Community Lottery Grants							
3.0.1 Program Support	2,326	-	2,326	-	2,326	1,950	376
3.0.2 Major Community Facilities Program							
Operating Expense							
Operating Expense Funded by Lotteries	140,000	-	-	3,000	3,000	22,000	(19,000)
Community Facilities Enhancement Program							
Operating Expense Funded by Lotteries	38,500	-	140,000	-	140,000	139,622	378
3.0.3 Community Initiatives Program							
Operating Expense Funded by Lotteries	29,171	-	38,500	-	38,500	38,500	-
3.0.4 Community Spirit Donation Program							
Operating Expense Funded by Lotteries	20,000	-	29,171	-	29,171	29,171	-
3.0.5 Major Fairs and Exhibitions							
Operating Expense Funded by Lotteries	23,360	-	20,000	-	20,000	19,485	515
3.0.7 Other Initiatives							
Operating Expense	-	-	23,360	-	23,360	23,360	-
Operating Expense Funded by Lotteries	7,964	-	-	-	-	2,650	(2,650)
Horse Racing and Breeding Renewal Program							
Operating Expense Funded by Lotteries	48,000	-	7,964	-	7,964	7,964	-
Bingo Associations							
Operating Expense Funded by Lotteries	13,000	-	48,000	-	48,000	36,917	11,083
Support for Telus World of Science							
Operating Expense Funded by Lotteries	40,000	-	13,000	-	13,000	5,434	7,566
Support for National Portrait Gallery							
Operating Expense Funded by Lotteries	40,000	-	40,000	-	40,000	40,000	-
3.0.11 Support for National Portrait Gallery							
Operating Expense Funded by Lotteries	40,000	-	40,000	-	40,000	-	40,000
	402,321	-	402,321	3,000	405,321	367,053	38,268

Department of Culture and Community Spirit
Comparison of Expenses – Directly Incurred, Equipment/Inventory Purchases and Capital Investment,
Statutory Expenses and Non-Budgetary Disbursements by Element to Authorized Budget (continued)
For the year ended March 31, 2009
(thousands of dollars)

	2008-09 Estimates	Adjustments	2008-09 Budget	2008-09 Authorized Supplementary ^(a)	2008-09 Authorized Budget	2008-09 Actual ^(b)	Unexpended (Over Expended)
4 Heritage							
4.0.1 Program Support	898	-	898	-	898	910	(12)
4.0.2 Royal Alberta Museum							
Operating Expense	6,980	-	6,980	-	6,980	6,988	(8)
Equipment/Inventory Purchases	-	-	-	-	-	180	(180)
4.0.3 Royal Tyrrell Museum of Palaeontology							
Operating Expense	3,145	-	3,145	-	3,145	3,025	120
Equipment/Inventory Purchases	1,200	-	1,200	(200) ^(c)	1,000	1,232	(232)
Capital Investment	-	-	-	200 ^(c)	200	-	200
4.0.4 Historic Sites and Other Museums							
Operating Expense	11,363	-	11,363	-	11,363	11,798	(435)
Equipment/Inventory Purchases	800	-	800	-	800	1,016	(216)
4.0.5 Provincial Archives of Alberta							
Operating Expense	2,730	-	2,730	-	2,730	2,674	56
Equipment/Inventory Purchases	-	-	-	-	-	85	(85)
4.0.6 Heritage Infrastructure Maintenance							
Operating Expense	5,899	-	5,899	(1,513) ^(d)	4,386	2,461	1,925
Equipment/Inventory Purchases	-	-	-	63 ^(d)	63	121	(58)
Capital Investment	-	-	-	1,450 ^(d)	1,450	609	841
4.0.7 Acquisition of Historical Collections	1,000	-	1,000	-	1,000	745	255
4.0.8 Historic Resources Management							
Operating Expense	5,246	-	5,246	-	5,246	4,500	746
Equipment/Inventory Purchases	-	-	-	-	-	5	(5)
4.0.9 Assistance to the Alberta Historical Resources Foundation							
Operating Expense funded by Lotteries	9,507	-	9,507	-	9,507	9,507	-
4.0.10 Amortization of Tangible Capital Assets	797	-	797	-	797	666	131
	49,565	-	49,565	-	49,565	46,522	3,043

Department of Culture and Community Spirit
Comparison of Expenses – Directly Incurred, Equipment/Inventory Purchases and Capital Investment,
Statutory Expenses and Non-Budgetary Disbursements by Element to Authorized Budget (continued)
For the year ended March 31, 2009
(thousands of dollars)

	2008-09 Estimates	Adjustments	2008-09 Budget	2008-09 Authorized Supplementary ^(a)	2008-09 Authorized Budget	2008-09 Actual ^(b)	Unexpended (Over Expended)
5 Human Rights and Citizenship							
5.0.1 Human Rights and Citizenship Operating Expenses	4,769	-	4,769	-	4,769	4,915	(146)
Equipment/Inventory Purchases	-	-	-	-	-	23	(23)
5.0.2 Financial Assistance to the Human Rights, Citizenship and Multiculturalism Education - Fund							
Operating Expense funded by Lotteries	2,025	-	2,025	-	2,025	1,825	200
	6,794	-	6,794	-	6,794	6,763	31
	-	(364)	(364)	-	(364)	-	(364)
Dedicated Revenue Shortfall (Schedule 2)							
Total Voted Expenses	\$ 539,297	\$ (364)	\$ 538,933	\$ 17,000	\$ 555,933	\$ 512,980	\$ 42,953
Operating Expense	\$ 61,435	\$ (364)	\$ 61,071	\$ 15,487	\$ 76,558	\$ 92,431	\$ (15,873)
Operating Expense funded by Lotteries	475,467	-	475,467	-	475,467	415,725	59,742
Equipment/Inventory Purchases	2,395	-	2,395	(137)	2,258	4,215	(1,957)
	539,297	(364)	538,933	15,350	554,283	512,371	41,912
Capital Investment	-	-	-	1,650	1,650	609	1,041
Total Voted Expenses	\$ 539,297	\$ (364)	\$ 538,933	\$ 17,000	\$ 555,933	\$ 512,980	\$ 42,953
Statutory Expenses							
Queen's Golden Jubilee Scholarships	\$ 10	-	\$ 10	\$ -	\$ 10	\$ 10	\$ -
Valuation Adjustments – Environmental Obligations	-	-	-	-	-	-	-
Valuation Adjustments – Vacation Pay and Banked Overtime	90	-	90	-	90	245	(155)
Valuation Adjustments – Doubtful Accounts	-	-	-	-	-	3	(3)
	\$ 100	\$ -	\$ 100	\$ -	\$ 100	\$ 258	\$ (158)

Department of Culture and Community Spirit
Comparison of Expenses – Directly Incurred, Equipment/Inventory Purchases and Capital Investment,
Statutory Expenses and Non-Budgetary Disbursements by Element to Authorized Budget (continued)
For the year ended March 31, 2009
(thousands of dollars)

Non-Budgetary Disbursements by Program							
	2008-09 Estimates	Adjustments	2008-09 Budget	2008-09 Authorized Supplementary ^(a)	2008-09 Authorized Budget	2008-09 Actual ^(b)	Unexpended (Over Expended)
4 Heritage	\$ 6,200	\$ -	\$ 6,200	\$ -	\$ 6,200	\$ 2,391	\$ 3,809
4.0.4 Historic Sites and Other Museums	\$ 6,200	\$ -	\$ 6,200	\$ -	\$ 6,200	\$ 2,391	\$ 3,809

Non-Budgetary Disbursements by Program

- (a) Treasury Board approval is pursuant to section 24(2) of the *Financial Administration Act* (for net budgeted initiatives).
- (b) Includes achievement bonus amounting to \$841.
- (c) Adjustments include dedicated revenue shortfalls (Schedule 2).
- (d) Treasury Board authorized an increase of \$14,000 for the Film Development program.
- (e) Treasury Board authorized an increase of \$2,000 to support fibre installation in the Olds region for access to Alberta's SuperNet.
- (f) Treasury Board authorized a transfer of \$1,513 from operating expense and \$137 from equipment/inventory purchases to capital investment for various heritage infrastructure projects.
- (g) Treasury Board authorized a transfer of \$1,000 from Alberta Infrastructure to support fibre installation in the Olds region for access to Alberta's SuperNet and to assist with the community component of a fire-damaged church in Whitecourt.

Department of Culture and Community Spirit
Salary and Benefits Disclosure
For the year ended March 31, 2009

	2009			2008	
	Base Salary ^(a)	Other Cash Benefits ^(b)	Other Non-cash Benefits ^(c)	Total	Total
Senior Officials					
Deputy Minister ^{(d) (e)}	\$ 257,062	\$ 43,000	\$ 60,382	\$ 360,444	\$ 325,168
Chief Commissioner, Alberta					
Human Rights and Citizenship Commission ^(f)	100,806	3,000	18,442	122,248	240,405
Executives					
Assistant Deputy Minister, Culture Division	177,828	21,339	43,047	242,214	239,682
Assistant Deputy Minister, Community and Voluntary Services Division ^(g)	134,667	26,674	15,046	176,387	-
Assistant Deputy Minister, Heritage Division ^(h)	128,328	16,259	31,558	176,145	225,337
Executive Director, Human Resource Services ^{(i) (j)}	120,672	17,469	29,678	167,819	184,045
Executive Director, Policy, Planning and Legislative Services ^{(i) (k)}	142,884	21,433	34,719	199,036	-
Executive Director, Information Management and Technology Services ^{(i) (k)}	145,572	14,557	35,719	195,848	-
Executive Director, Financial Services ^(k)	144,936	26,088	34,678	205,702	-
Executive Director, Cultural Policy Initiative ^(l)	124,539	16,262	30,155	170,956	-

Prepared in accordance with Treasury Board Directive 12/98 as amended.

Total salary and benefits relating to a position are disclosed.

- ^(a) Base salary includes pensionable base pay.
- ^(b) Other cash benefits include bonuses, vacation payments, overtime and lump sum payments.
- ^(c) Other non-cash benefits include government's share of all employee benefits and contributions or payments made on behalf of employees including pension and supplementary retirement plan, health care, dental coverage, group life insurance, short and long term disability plans, professional memberships and tuition fees.
- ^(d) Automobile provided, no dollar amount included in other non-cash benefits.
- ^(e) In the prior year, the position was also responsible for the programs of the Ministry of Tourism, Parks and Recreation.
- ^(f) This position was occupied by two individuals and salary and benefits are disclosed for eight months.
- ^(g) Position created on July 1, 2008.
- ^(h) In the prior year, the position was also responsible for the Tourism Division of the Ministry of Tourism, Parks and Recreation.
- ⁽ⁱ⁾ The incumbent's services are shared with the Department of Tourism, Parks and Recreation which contributes its own share of the cost of salary and benefits. Full salary and benefits are disclosed in this schedule.
- ^(j) This position was occupied by two individuals and salary and benefits are disclosed for ten months.
- ^(k) This position became part of Executive Team on April 1, 2008.
- ^(l) Position created on May 1, 2008 and will conclude on March 31, 2010.

Department of Culture and Community Spirit
Related Party Transactions
For the year ended March 31, 2009
(thousands of dollars)

Related parties are those entities consolidated or accounted for on the modified equity basis in the Province of Alberta's financial statements. Related parties also include management in the Department.

The Department and its employees paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users and have been excluded from this Schedule.

The Department had the following transactions with related parties recorded on the Statement of Operations and the Statement of Financial Position at the amount of consideration agreed upon between the related parties.

	Entities in the Ministry		Other Entities	
	2009	2008	2009	2008
				Restated (Note 3)
Revenues				
Grants	\$ -	\$ -	\$ 456,828	\$ 378,980
Expenses – Directly Incurred				
Grants	54,832	\$ 44,897	-	\$ -
Other services	-	-	1,444	662
	<u>\$ 54,832</u>	<u>\$ 44,897</u>	<u>\$ 1,444</u>	<u>\$ 662</u>
Transfer of Tangible Capital Assets from (to)				
Others	\$ -	\$ -	\$ (179)	\$ 300
Accounts Payable	<u>\$ 59</u>	<u>\$ 1</u>	<u>\$ 982</u>	<u>\$ -</u>
Accounts Receivable	<u>\$ 311</u>	<u>\$ 254</u>	<u>\$ 4,113</u>	<u>\$ 76,437</u>

The above transactions do not include support service arrangement transactions disclosed in Schedule 3.

Department of Culture and Community Spirit
Related Party Transactions
For the year ended March 31, 2009
(thousands of dollars)

The Department also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements but are disclosed in Schedule 8.

	Entities in the Ministry		Other Entities	
	2009	2008	2009	2008
				Restated (Note 3)
Recoveries				
Services Provided	\$ 830	\$ 1,242	\$ -	\$ -
Expenses – Incurred by Others				
Accommodation Costs	\$ -	\$ -	\$ 30,654	\$ 26,952
GOA Learning Centre Training Services	-	-	18	-
Legal Services	-	-	220	167
Internal Audit Services	-	-	233	210
Financial Services	-	-	755	714
Transportation Services	-	-	159	135
Information Technology Services	-	-	1,414	1,513
	\$ -	\$ -	\$ 33,453	\$ 29,691

Department of Culture and Community Spirit
Allocated Costs
For the year ended March 31, 2009
(thousands of dollars)

Program	2009											2008 Restated (Note 3)
	Expenses – Incurred by Others										Valuation Adjustments ^(j)	
	Expenses ^(a)	Services Provided ^(b)	Accommodation Costs ^(c)	GOA Learning Centre Training Services ^(d)	Legal Services ^(e)	Internal Audit Services ^(f)	Financial Services ^(g)	Transportation Services ^(h)	Information Technology Services ⁽ⁱ⁾	Total Expenses		
Ministry Support Services	\$ 6,383	\$ -	\$ 482	\$ 2	\$ 131	\$ 66	\$ 82	\$ 22	\$ 152	\$ 28	\$ 7,348	\$ 4,944
Culture	84,706	(382)	11,779	4	6	-	150	30	277	53	96,623	73,766
Community												
Lottery	367,053	-	295	-	27	109	53	9	112	14	367,672	317,961
Grants	43,274	(344)	17,670	10	54	58	403	84	748	130	62,087	54,184
Heritage												
and												
Human Rights												
Citizenship	6,740	(104)	428	2	2	-	67	14	125	23	7,297	6,973
Queen's												
Golden												
Jubilee												
Scholarships	10	-	-	-	-	-	-	-	-	-	10	10
	\$ 508,166	\$ (830)	\$ 30,654	\$ 18	\$ 220	\$ 233	\$ 755	\$ 159	\$ 1,414	\$ 248	\$ 541,037	\$ 457,838

^(a) Expenses – Directly Incurred as per Statement of Operations, excluding valuation adjustments.

^(b) The Ministry of Culture and Community Spirit provided financial and administrative services to its funds and agencies.

^(c) The Department of Infrastructure provided accommodations. Costs shown for Accommodation on Schedule 7, allocated by square footage.

^(d) The Alberta Treasury Board provided training services. Costs shown for Government of Alberta Learning Centre on Schedule 7, allocated by employee.

^(e) The Department of Justice and Attorney General provided legal services. Costs for Legal Services on Schedule 7, allocated by estimated costs incurred by each program.

^(f) The Executive Council provided internal audit services. Costs shown for Internal Audit Services on Schedule 7, allocated by estimated costs incurred by each program.

^(g) The Department of Service Alberta provided financial services to the Department and the Alberta Gaming and Liquor Commission provided financial services to the Community Lottery grant programs. Costs shown for Financial Services on Schedule 7, allocated to the program.

^(h) The Department of Service Alberta and Alberta Treasury Board provided transportation services. Costs shown for Transportation Services on Schedule 7, allocated to the program.

⁽ⁱ⁾ The Department of Service Alberta provided information technology services. Costs shown for Information Technology Services on Schedule 7, allocated to the program.

^(j) Valuation Adjustments as per Statement of Operations. Provisions included in Valuation Adjustments were allocated as follows: Vacation Pay and Banked Overtime – allocated to the program by full time equivalent; Doubtful Accounts – allocated to the program.

Department of Culture and Community Spirit
Tangible Capital Assets
For the year ended March 31, 2009
(thousands of dollars)

	2009						2008	
	General Capital Assets						Restated	
	Computer Hardware and Software						(Note 3)	
	Land	Buildings	Equipment (a)	Other	Infrastructure Assets	Total	Total	Total
Estimated Useful Life	Indefinite	20-40 years	5-8 years	3-10 years	20 years	40 years		
Historical Cost ^(b)								
Beginning of Year	\$ 2,558	\$ 39	\$ 1,874	\$ 7,920	\$ 163	\$ 281	\$ 12,835	\$ 10,247
Additions	-	259	1,536	1,938	-	1,090	4,823	3,170
Disposals, Including Write-Downs	-	8	(640)	(412)	13	(13)	(1,044)	(881)
Transfers (To) From Others	-	-	(202)	32	-	-	(170)	300
	\$ 2,558	\$ 306	\$ 2,568	\$ 9,478	\$ 176	\$ 1,358	\$ 16,444	\$ 12,836
Accumulated Amortization								
Beginning of Year	\$ -	\$ -	\$ 391	\$ 2,639	\$ 95	\$ -	\$ 3,125	\$ 3,542
Amortization Expense	-	-	167	544	20	24	755	383
Effect of Disposal	-	-	(151)	(245)	1	-	(395)	(799)
Transfers (To) From Others	-	-	-	9	-	-	9	-
	\$ -	\$ -	\$ 407	\$ 2,947	\$ 116	\$ 24	\$ 3,494	\$ 3,126
Net Book Value at March 31, 2009	\$ 2,558	\$ 306	\$ 2,161	\$ 6,531	\$ 60	\$ 1,334	\$ 12,950	
Net Book Value at March 31, 2008	\$ 2,558	\$ 39	\$ 1,483	\$ 5,280	\$ 69	\$ 281		\$ 9,710

^(a) Equipment includes network switches and routers, vehicles, heavy equipment, fire protection equipment, office equipment and furniture and other equipment.

^(b) Historical cost includes work-in-progress at March 31, 2009 totaling \$3,537 (2008 - \$4,425) comprised of: buildings \$306 (2008 - \$48); computer hardware and software \$1,542 (2008 - \$1,371); equipment \$1,346 (2008 - \$2,725); land improvements \$343 (2008 - \$281).

Alberta Foundation for the Arts

Financial Statements

March 31, 2009

**Alberta Foundation for the Arts
Financial Statements
March 31, 2009**

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Schedule 1 – Expenses – Directly Incurred Detailed by Object

Schedule 2 – Related Party Transactions

Schedule 3 – Allocated Costs



Auditor's Report

To the Members of the Alberta Foundation for the Arts and the Minister of Culture and Community Spirit:

I have audited the statement of financial position of the Alberta Foundation for the Arts as at March 31, 2009 and the statements of operations and cash flows for the year then ended. These financial statements are the responsibility of the Foundation's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Foundation as at March 31, 2009 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

A handwritten signature in dark ink, appearing to read 'Fred J. Duncan'.

FCA
Auditor General

Edmonton, Alberta
June 10, 2009

Alberta Foundation for the Arts
Statement of Operations
For the Year ended March 31, 2009
(thousands of dollars)

	2009		2008
	Budget	Actual	Actual Restated (Note 3)
Revenues			
Internal Government Transfers			
Transfers from the Department of Culture and Community Spirit	\$ 34,984	\$ 34,984	\$ 25,929
Investment Income	525	503	452
Other Revenue			
Prior Years Refunds of Expenses	60	65	70
Donations of Artworks	125	274	13
	<u>35,694</u>	<u>35,826</u>	<u>26,464</u>
Expenses – Directly Incurred (Note 2(b) and Schedules 1 and 3)			
Arts Creation and Production	12,918	12,859	9,433
Arts Promotion	10,124	11,296	8,522
Arts Participation	7,390	6,827	5,130
Art Collection and Display	4,917	4,421	3,062
Administration	372	366	341
	<u>35,721</u>	<u>35,769</u>	<u>26,488</u>
Net Operating Results	<u>\$ (27)</u>	57	(24)
Operating Fund Balance, Beginning of Year		1,305	1,329
Operating Fund Balance, End of Year		<u>\$ 1,362</u>	<u>\$ 1,305</u>

The accompanying notes and schedules are part of these financial statements.

Alberta Foundation for the Arts
Statement of Financial Position
As at March 31, 2009
(thousands of dollars)

	2009	2008
Financial Assets		
Cash and Short-Term Investments (Note 4)	\$ 1,377	\$ 2,153
Accrued Interest	-	15
Accounts Receivable (Note 5)	5	55
	1,382	2,223
Cash Appropriated for Non-Current Use (Note 4)	467	467
Tangible Capital Assets (Note 6)	174	201
	<u>\$ 2,023</u>	<u>\$ 2,891</u>
Liabilities		
Accounts Payable and Accrued Liabilities	\$ 194	\$ 1,119
Fund Balances		
Operating	1,362	1,305
General Reserve – Restricted (Note 8)	467	467
	1,829	1,772
	<u>\$ 2,023</u>	<u>\$ 2,891</u>

The accompanying notes and schedules are part of these financial statements.

**Alberta Foundation for the Arts
Statement of Cash Flows
For the Year ended March 31, 2009
(thousands of dollars)**

	2009	2008
Operating Transactions		
Net Operating Results	\$ 57	\$ (24)
Non-cash Items included in Net Operating Results		
Amortization of Tangible Capital Assets	27	27
	84	3
Decrease (Increase) in Accounts Receivable and Accrued Interest	65	(49)
(Decrease) Increase in Accounts Payable and Accrued Liabilities	(925)	226
Cash (Applied to) Provided by Operating Transactions	(776)	180
(Decrease) Increase in Cash	(776)	180
Cash and Short-Term Investments, Beginning of Year	2,153	1,973
Cash and Short-Term Investments, End of Year	<u>\$ 1,377</u>	<u>\$ 2,153</u>

The accompanying notes and schedules are part of these financial statements.

**Alberta Foundation for the Arts
Notes to the Financial Statements
For the Year ended March 31, 2009**

Note 1 Authority and Purpose

The Alberta Foundation for the Arts (Foundation) operates under the authority of the *Alberta Foundation for the Arts Act*, Chapter A-19, Revised Statutes of Alberta 2000.

The purposes of the Foundation are:

- To support and contribute to the development of literary, performing, visual and media arts in Alberta;
- To provide both individuals and organizations with opportunities to participate in the arts in Alberta;
- To promote the enjoyment of works of art created by Alberta artists;
- To oversee the collection, preservation and display of works of art by Alberta artists; and
- To encourage artists living in Alberta in their work.

The Foundation is a Crown agent of the Government of Alberta and as such has a tax exempt status.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with Canadian generally accepted accounting principles for the public sector as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants.

(a) Reporting Entity

The reporting entity is the Alberta Foundation for the Arts, which is part of the Ministry of Culture and Community Spirit (Ministry) and for which the Minister of Culture and Community Spirit (Minister) is accountable. The Ministry Annual Report provides a more comprehensive accounting of the financial position and results of the Ministry's operations for which the Minister is accountable.

(b) Basis of Financial Reporting

Revenues

All revenues are reported on the accrual basis of accounting. Cash received for which goods or services have not been provided by year end is recorded as unearned revenue.

Donations are recognized as revenues when they are received. Donations of materials and services that would otherwise have been purchased are recorded at fair value at the date of donation when fair value can reasonably be determined.

**Alberta Foundation for the Arts
Notes to the Financial Statements
For the Year ended March 31, 2009**

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Internal Government Transfers

Internal government transfers are transfers between entities within the government reporting entity where the entity making the transfer does not receive goods or services directly in return.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Foundation has primary responsibility and accountability for, as reflected in the Government's budget documents.

Directly incurred expenses include amortization of tangible capital assets.

Grants are recorded as expenses when authorized and when all eligibility criteria have been satisfied.

Incurred by Others

Services contributed by other entities in support of the Foundation's operations are disclosed in Schedule 3.

Assets

Financial assets of the Foundation are limited to cash and financial claims such as accounts receivable from other organizations as well as accrued interest.

Assets acquired by right are not included. Tangible capital assets of the Foundation are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is \$100,000 and the threshold for all other capital assets is \$5,000.

**Alberta Foundation for the Arts
Notes to the Financial Statements
For the Year ended March 31, 2009**

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Artworks and Collections

Artworks are not recorded as assets. Purchases of artworks are expensed in the period in which the items are acquired. Donations of artworks and collection items are reported as revenue and expenses at their fair value when fair value can be determined. When fair value cannot be reasonably determined, these donations are recorded at nominal value.

Proceeds from the disposition of artworks can only be used to acquire other items to be added to the collection or for the direct care of existing artworks.

Investments

Investments are recorded at cost. Where there has been a loss in value of an investment that is other than a temporary decline, the investment is written down to recognize the loss.

Liabilities

Liabilities are recorded to the extent that they represent present obligations as a result of events and transactions occurring prior to the end of fiscal year. The settlement of liabilities will result in sacrifice of economic benefits in the future.

Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of accounts receivable, accrued interest and accounts payable and accrued liabilities are estimated to approximate their carrying values because of the short-term nature of these instruments.

Note 3 Program Transfer (thousands of dollars)

The Major Facilities grant program was transferred from the Foundation to the Department of Culture and Community Spirit, and the Grant MacEwan Scholarships program was transferred from the Department to the Foundation. Comparatives for 2007-08 have been restated for these transfers. The effect was to decrease revenues by \$705 from \$27,169 to \$26,464 and to decrease expenses by \$705 from \$27,193 to \$26,488.

**Alberta Foundation for the Arts
Notes to the Financial Statements
For the Year ended March 31, 2009**

Note 4 Cash and Short-Term Investments and Cash Appropriated for Non-Current Use (thousands of dollars)

Cash consists of deposits in the Consolidated Cash Investment Trust Fund (CCITF) of the Province of Alberta. CCITF is managed with the objective of providing competitive interest income to depositors while maintaining appropriate security and liquidity of depositors' capital. The portfolio is comprised of high-quality short-term and mid-term fixed-income securities with a maximum term-to-maturity of three years. As at March 31, 2009, securities held by CCITF have a time-weighted return of 3.0% (2008 – 4.5%) per annum.

Short-term investments consisted of deposits in the amount of \$0 (2008 – \$300) with life insurance companies maturing April 4, 2008.

Cash appropriated for non-current use in the amount of \$467 (2008 – \$467) has been internally restricted and is therefore not available to pay for operating expenses of the Foundation (Note 8).

Due to the short-term nature of these deposits, the carrying value approximates fair value.

Note 5 Accounts Receivable (thousands of dollars)

	2009			2008
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Accounts Receivable	\$ 5	\$ -	\$ 5	\$ 55

Accounts receivable are unsecured and non-interest bearing.

**Alberta Foundation for the Arts
Notes to the Financial Statements
For the Year ended March 31, 2009**

Note 6 Tangible Capital Assets (thousands of dollars)

	Equipment	Computer Hardware and Software	2009 Total	2008 Total
Estimated Useful Life	10 years	4 years		
Historical Cost				
Beginning of Year	\$ 268	\$ 20	\$ 288	\$ 301
Additions	-	-	-	-
Disposals	-	-	-	(13)
	<u>\$ 268</u>	<u>\$ 20</u>	<u>\$ 288</u>	<u>\$ 288</u>
Accumulated Amortization				
Beginning of Year	\$ 67	\$ 20	\$ 87	\$ 73
Amortization Expense	27	-	27	27
Effect of Disposal	-	-	-	(13)
	<u>\$ 94</u>	<u>\$ 20</u>	<u>\$ 114</u>	<u>\$ 87</u>
Net Book Value at March 31, 2009	<u>\$ 174</u>	<u>\$ -</u>	<u>\$ 174</u>	
Net Book Value at March 31, 2008	<u>\$ 201</u>	<u>\$ -</u>		<u>\$ 201</u>

Note 7 Artworks and Collections

The Alberta Foundation for the Arts actively collects visual artworks, which document the Province's significant visual artistic achievement. The collection is accessible to the public and consists of paintings, sculptures, drawings, photographs, ceramics, glass, fibre and prints. At year end, the collection consisted of approximately 7,835 (2008 – 7,641) artworks with an approximate value of \$10,496,850 (2008 – \$9,506,000). During the year, the Foundation purchased 190 (2008 – 116) artworks by Alberta artists at a total cost of \$716,550 (2008 – \$402,750). Contributions to the collection included 4 (2008 – 15) artworks with an appraised value of \$274,300 (2008 – \$13,240). There were no artwork dispositions during the year (2008 – Nil). The collection is insured.

**Alberta Foundation for the Arts
Notes to the Financial Statements
For the Year ended March 31, 2009**

Note 8 General Reserve (thousands of dollars)

The general reserve in the amount of \$467 has been established by appropriation from the operating fund balance for the purpose of retaining an ongoing funding capability. Transfers from the reserve to the operating fund require board approval.

Interest earned on the cash appropriated for the reserve is reported as operating revenue.

Note 9 Contractual Obligations (thousands of dollars)

	<u>2009</u>	<u>2008</u>
Grant Agreements	\$ 2,350	\$ 6,300
Service Contracts	<u>1,025</u>	<u>823</u>
	<u>\$ 3,375</u>	<u>\$ 7,123</u>

The aggregate amounts payable for the unexpired terms of these contractual obligations are as follows:

	<u>Grant Agreements</u>	<u>Service Contracts</u>	<u>Total</u>
2010	\$ 2,350	\$ 838	\$ 3,188
2011	<u>-</u>	<u>187</u>	<u>187</u>
	<u>\$ 2,350</u>	<u>\$ 1,025</u>	<u>\$ 3,375</u>

**Alberta Foundation for the Arts
Notes to the Financial Statements
For the Year ended March 31, 2009**

Note 10 Honoraria (thousands of dollars)

	2009		2008	
	Honoraria ^(a)	Benefits and Allowances ^(b)	Total	Total
Board ^(c)				
Chair	\$ 2	\$ -	\$ 2	\$ 3
Other Members (10)	26	-	26	26
	<u>\$ 28</u>	<u>\$ -</u>	<u>\$ 28</u>	<u>\$ 29</u>

- (a) The Foundation has no employees. Staff of the Department of Culture and Community Spirit administers the Foundation. Disclosure of information on their salaries and benefits, a requirement under Treasury Directive 03/2004, is included in the financial statements of the Department of Culture and Community Spirit.
- (b) No benefits were provided to Board members.
- (c) Members appointed to the Foundation are paid honoraria for attending Foundation meetings at rates set by Ministerial Order. They are also paid for sub-committee meetings, to attend out-of-town meetings and for attending to other Foundation duties.

Note 11 Comparative Figures

Certain 2008 figures have been reclassified to conform to the 2009 presentation.

Note 12 Approval of Financial Statements

The financial statements were approved by the Board of Directors.

Alberta Foundation for the Arts
Expenses – Directly Incurred Detailed by Object
For the Year ended March 31, 2009
(thousands of dollars)

	2009		2008
	Budget	Actual	Actual Restated (Note 3)
Grants	\$ 32,118	\$ 31,193	\$ 23,642
Supplies and Services	1,405	1,806	1,296
Supplies and Services from Support Service Arrangements with Related Parties ^(a)	1,600	1,725	1,078
Acquisition of Artworks	400	716	403
Donations of Artworks	125	274	13
Honoraria (Note 10)	46	28	29
Amortization of Tangible Capital Assets	27	27	27
	<u>\$ 35,721</u>	<u>\$ 35,769</u>	<u>\$ 26,488</u>

^(a) The Foundation receives financial and program related administrative services from the Department of Culture and Community Spirit.

Alberta Foundation for the Arts
Related Party Transactions
For the Year ended March 31, 2009
(thousands of dollars)

Related parties are those entities consolidated or accounted for on the modified equity basis in the Province of Alberta's financial statements.

The Foundation paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users and have been excluded from this Schedule.

The Foundation had the following transactions with related parties recorded in the Statement of Operations and the Statement of Financial Position at the amount of consideration agreed upon between the related parties.

	Entities in the Ministry		Other Entities	
	2009	2008	2009	2008
	Restated (Note 3)			
Revenues				
Transfers from the Department of Culture and Community Spirit	\$ 34,984	\$ 25,929	\$ -	\$ -
Expenses – Directly Incurred				
Grants	\$ -	\$ 148	\$ 150	\$ -
Other Services	-	-	11	11
	<u>\$ -</u>	<u>\$ 148</u>	<u>\$ 161</u>	<u>\$ 11</u>
Accounts Receivable	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 50</u>
Accounts Payable	<u>\$ 10</u>	<u>\$ 19</u>	<u>\$ -</u>	<u>\$ -</u>

The above transactions do not include support service arrangement transactions disclosed in Schedule 1.

The Foundation also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements but are disclosed in Schedule 3.

	Entities in the Ministry		Other Entities	
	2009	2008	2009	2008
Expenses – Incurred by Others				
Accommodation Costs	\$ -	\$ -	\$ 459	\$ 464
Other Services	255	341	-	-
Legal Services	-	-	4	-
Internal Audit Services	-	-	11	-
	<u>\$ 255</u>	<u>\$ 341</u>	<u>\$ 474</u>	<u>\$ 464</u>

Alberta Foundation for the Arts
Allocated Costs
For the Year ended March 31, 2009
(thousands of dollars)

Program	2009					2008	
	Expenses – Incurred by Others					Restated (Note 3)	
	Expenses (a)	Accommodation Costs (b)	Other Services (c)	Legal Services (d)	Internal Audit Services (e)	Total Expenses	Total Expenses
Arts Creation and Production	\$ 12,859	\$ 14	\$ 72	\$ 1	\$ -	\$ 12,946	\$ 9,520
Arts Promotion	11,296	14	48	1	11	11,370	8,616
Arts Participation	6,827	13	47	1	-	6,888	5,221
Art Collection and Display	4,421	409	37	1	-	4,868	3,505
Administration	366	9	51	-	-	426	431
	<u>\$ 35,769</u>	<u>\$ 459</u>	<u>\$ 255</u>	<u>\$ 4</u>	<u>\$ 11</u>	<u>\$ 36,498</u>	<u>\$ 27,293</u>

(a) Expenses – Directly Incurred as per Statement of Operations.

(b) The Department of Infrastructure provided accommodations. Costs shown for Accommodation (includes grants in lieu of taxes) on Schedule 2, allocated by square footage.

(c) The Department of Culture and Community Spirit provided financial and administrative services. Costs shown for Other Services on Schedule 2, allocated by estimated costs incurred by each program.

(d) The Department of Justice and Attorney General provided legal services. Costs shown for Legal Services on Schedule 2, allocated by estimated costs incurred by each program.

(e) The Department of Executive Council provided Internal Audit Services. Costs shown for Internal Audit Services on Schedule 2, allocated by estimated costs incurred by each program.

The Alberta Historical Resources Foundation

Financial Statements

March 31, 2009

**The Alberta Historical Resources Foundation
Financial Statements
March 31, 2009**

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Schedule 1 – Expenses – Directly Incurred Detailed by Object

Schedule 2 – Related Party Transactions

Schedule 3 – Allocated Costs



Auditor's Report

To the Directors of the Alberta Historical Resources Foundation and the Minister of Culture and Community Spirit:

I have audited the statement of financial position of Alberta Historical Resources Foundation as at March 31, 2009 and the statements of operations and cash flows for the year then ended. These financial statements are the responsibility of the Foundation's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Foundation as at March 31, 2009 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

A handwritten signature in dark ink, appearing to read 'Fred J. Dunn'.

FCA
Auditor General

Edmonton, Alberta
June 10, 2009

The Alberta Historical Resources Foundation
Statement of Operations
For the Year ended March 31, 2009
(thousands of dollars)

	2009				2008
	Budget	Operating Fund	Actual Restricted Fund	Total	Actual Total
Revenues					
Internal Government Transfers					
Transfers from the Department of Culture and Community Spirit	\$ 9,507	\$ 9,507	\$ -	\$ 9,507	\$ 8,587
Investment Income	271	213	-	213	270
Other Revenue	6	87	-	87	2
	<u>9,784</u>	<u>9,807</u>	<u>-</u>	<u>9,807</u>	<u>8,859</u>
Expenses – Directly Incurred (Note 2(b) and Schedules 1 and 3)					
Support to Provincial Heritage Organizations					
Alberta Museums Association	2,000	2,000	-	2,000	2,000
Archives Society of Alberta	250	250	-	250	285
Other	221	225	-	225	220
	<u>2,471</u>	<u>2,475</u>	<u>-</u>	<u>2,475</u>	<u>2,505</u>
Glenbow Museum	3,489	3,489	-	3,489	3,434
Heritage Preservation Projects	2,598	2,766	-	2,766	1,636
Main Street Program	676	529	-	529	564
Heritage Awareness Projects	418	294	-	294	529
Roger Soderstrom Fellowship Projects	5	-	3	3	8
Administration	183	245	-	245	231
	<u>9,840</u>	<u>9,798</u>	<u>3</u>	<u>9,801</u>	<u>8,907</u>
Valuation Adjustments					
Provision for Inventory Write-Off	-	5	-	5	-
	<u>9,840</u>	<u>9,803</u>	<u>3</u>	<u>9,806</u>	<u>8,907</u>
Net Operating Results	<u>\$ (56)</u>	4	(3)	1	(48)
Fund Balances, Beginning of Year		4,256	3	4,259	4,307
Fund Balances, End of Year		<u>\$ 4,260</u>	<u>\$ -</u>	<u>\$ 4,260</u>	<u>\$ 4,259</u>

The accompanying notes and schedules are part of these financial statements.

The Alberta Historical Resources Foundation
Statement of Financial Position
As at March 31, 2009
(thousands of dollars)

	2009	2008
Financial Assets		
Cash (Note 3)	\$ 4,043	\$ 4,062
Accounts Receivable	-	1
Inventory for Resale	-	5
	<u>4,043</u>	<u>4,068</u>
Cash Appropriated for Non-Current Use (Notes 3 and 7)	<u>50</u>	<u>50</u>
Tangible Capital Assets (Note 4)	<u>240</u>	<u>296</u>
	<u><u>\$ 4,333</u></u>	<u><u>\$ 4,414</u></u>
Liabilities		
Accounts Payable and Accrued Liabilities	<u>\$ 23</u>	<u>\$ 105</u>
Fund Balances		
Operating	4,260	4,256
Restricted (Note 6)	-	3
Reserve (Note 7)	<u>50</u>	<u>50</u>
	<u>4,310</u>	<u>4,309</u>
	<u><u>\$ 4,333</u></u>	<u><u>\$ 4,414</u></u>

The accompanying notes and schedules are part of these financial statements.

The Alberta Historical Resources Foundation
Statement of Cash Flows
For the Year ended March 31, 2009
(thousands of dollars)

	<u>2009</u>	<u>2008</u>
Operating Transactions		
Net Operating Results	\$ 1	\$ (48)
Non-cash Items included in Net Operating Results		
Amortization of Tangible Capital Assets	56	56
Valuation Adjustments	<u>5</u>	<u>-</u>
	62	8
Decrease (Increase) in Accounts Receivable	1	(1)
(Decrease) in Accounts Payable and Accrued Liabilities	<u>(82)</u>	<u>(98)</u>
Cash (Applied to) Operating Transactions	<u>(19)</u>	<u>(91)</u>
Capital Transactions		
Acquisition of Tangible Capital Assets (Note 4)	<u>-</u>	<u>(2)</u>
(Decrease) in Cash	(19)	(93)
Cash, Beginning of Year	<u>4,062</u>	<u>4,155</u>
Cash, End of Year	<u><u>\$ 4,043</u></u>	<u><u>\$ 4,062</u></u>

The accompanying notes and schedules are part of these financial statements.

**The Alberta Historical Resources Foundation
Notes to the Financial Statements
For the Year ended March 31, 2009**

Note 1 Authority and Purpose

The Alberta Historical Resources Foundation (Foundation) operates under the authority of the *Historical Resources Act*, Chapter H-9, Revised Statutes of Alberta 2000.

The purpose of the Foundation is to assist in the preservation and interpretation of Alberta's heritage primarily through the encouragement and sponsorship of community heritage initiatives.

The Foundation is a Crown agent of the Government of Alberta and as such has a tax exempt status.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with Canadian generally accepted accounting principles for the public sector as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants.

(a) Reporting Entity

The reporting entity is the Alberta Historical Resources Foundation, which is part of the Ministry of Culture and Community Spirit (Ministry) and for which the Minister of Culture and Community Spirit (Minister) is accountable. The Ministry Annual Report provides a more comprehensive accounting of the financial position and results of the Ministry's operations for which the Minister is accountable.

(b) Basis of Financial Reporting

Fund Accounting

Transactions are grouped, for accounting and reporting purposes, into funds in accordance with specified activities or objectives. These funds are described as follows:

- The operating fund accounts for the revenues and expenses associated with the primary activities of the Foundation;
- Restricted funds account for contributions received with imposed conditions on how the funds are to be used, interest earned and the expenses associated with the specified activities; and
- The reserve fund was established to ensure an ongoing funding capability as described in Note 7.

**The Alberta Historical Resources Foundation
Notes to the Financial Statements
For the Year ended March 31, 2009**

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Revenue

All revenues are reported on the accrual basis of accounting. Cash received for which goods or services have not been provided by year end is recorded as unearned revenue.

Donations are recognized as revenues when they are received. Donations of materials and services that would otherwise have been purchased are recorded at fair value at the date of donation when fair value can reasonably be determined.

Internal Government Transfers

Internal government transfers are transfers between entities within the government reporting entity where the entity making the transfer does not receive any goods or services directly in return.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Foundation has primary responsibility and accountability for, as reflected in the Government's budget documents.

Directly incurred expenses include amortization of tangible capital assets.

Grants are recorded as expenses when authorized and when all eligibility criteria have been satisfied.

Incurred by Others

Services contributed by other entities in support of the Foundation's operations are disclosed in Schedule 3.

Assets

Financial assets of the Foundation are limited to cash and cash appropriated for non-current use and financial claims such as accounts receivable from other organizations and individuals as well as inventory for resale. Inventory is valued at the lower of cost and net realizable value. Cost is determined on the first in first out basis.

**The Alberta Historical Resources Foundation
Notes to the Financial Statements
For the Year ended March 31, 2009**

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

Basis of Financial Reporting (continued)

Assets (continued)

Assets acquired by right are not included. Tangible capital assets of the Foundation are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is \$100,000 and the threshold for all other capital assets is \$5,000.

Collections of historical assets held by the Foundation are not recorded as assets. Purchases of collection items are expensed in the period in which the items are acquired. Donations of artworks and collection items are reported as revenue and expenses at their fair value when fair value can be determined. When fair value cannot be reasonably determined, these donations are recorded at nominal value.

Liabilities

Liabilities are recorded to the extent that they represent present obligations as a result of events and transactions occurring prior to the end of the fiscal year. The settlement of liabilities will result in sacrifice of economic benefits in the future.

Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of accounts receivable, inventory for resale and accounts payable and accrued liabilities are estimated to approximate their carrying values because of the short-term nature of these instruments.

Note 3 Cash and Cash Appropriated for Non-Current Use (thousands of dollars)

Cash consists of deposits in the Consolidated Cash Investment Trust Fund (CCITF) of the Province of Alberta. CCITF is managed with the objective of providing competitive interest income to depositors while maintaining appropriate security and liquidity of depositors' capital. The portfolio is comprised of high-quality short-term and mid-term fixed-income securities with a maximum term-to-maturity of three years. As at March 31, 2009, securities held by the Fund have a time-weighted return of 3.0% (2008 – 4.5%) per annum.

Due to the short-term nature of these deposits, the carrying value approximates fair value.

Cash in the amount of \$50 has been appropriated for non-current use (Note 7).

The Alberta Historical Resources Foundation
Notes to the Financial Statements
For the Year ended March 31, 2009

Note 4 Tangible Capital Assets (thousands of dollars)

	Heritage Markers	Equipment	2009 Total	2008 Total
Estimate Useful Life	10 years	7 years		
Historical Cost				
Beginning of Year	\$ 561	\$ 3	\$ 564	\$ 562
Additions	-	-	-	2
Disposals, Including Write-Downs	-	-	-	-
	<u>\$ 561</u>	<u>\$ 3</u>	<u>\$ 564</u>	<u>\$ 564</u>
Accumulated Amortization				
Beginning of Year	\$ 265	\$ 3	\$ 268	\$ 212
Amortization Expense	56	-	56	56
Effect of Disposals	-	-	-	-
	<u>\$ 321</u>	<u>\$ 3</u>	<u>\$ 324</u>	<u>\$ 268</u>
Net Book Value at March 31, 2009	<u>\$ 240</u>	<u>\$ -</u>	<u>\$ 240</u>	
Net Book Value at March 31, 2008	<u>\$ 296</u>	<u>\$ -</u>		<u>\$ 296</u>

Note 5 Artworks and Collections

The Foundation has a collection of historical assets which is comprised of paintings, sketches, photographs and antique furnishings. At year end, the collection consisted of 376 (2008 – 379) artworks with an estimated value of \$16,060 (2008 – \$16,150) and 30 (2008 – 30) antique furnishings estimated at \$12,700 (2008 – \$12,700). During the year, the Foundation did not acquire any historical assets (2008 – Nil). There were three artwork dispositions during the year (2008 – Nil). The collection is insured.

Note 6 Restricted Fund (thousands of dollars)

	2009	2008
Roger Soderstrom Fellowship Fund ^(a)	<u>\$ -</u>	<u>\$ 3</u>

^(a) The Roger Soderstrom Fellowship fund is a scholarship designed to encourage professional development and advanced studies in the field of heritage conservation in Alberta.

The Alberta Historical Resources Foundation
Notes to the Financial Statements
For the Year ended March 31, 2009

Note 7 Reserve (thousands of dollars)

A reserve in the amount of \$50 has been established by appropriation from the operating fund for the purpose of retaining an ongoing funding capability. Transfers from the reserve to the operating fund require board approval.

Interest earned on the cash appropriated for the reserve is reported as operating revenue.

Note 8 Honoraria (thousands of dollars)

	2009			2008
	Honoraria ^(a)	Benefits and Allowances ^(b)	Total	Total
Board ^(c)				
Chair	\$ 7	\$ -	\$ 7	\$ 8
Other Members (7)	16	-	16	20
	<u>\$ 23</u>	<u>\$ -</u>	<u>\$ 23</u>	<u>\$ 28</u>

^(a) The Foundation has no employees. Staff of the Department of Culture and Community Spirit administers the Foundation. Disclosure of information on their salaries and benefits, a requirement under Treasury Directive 03/2004, is included in the financial statements of the Department of Culture and Community Spirit.

^(b) No benefits were provided to Board members.

^(c) Members appointed to the Foundation are paid honoraria for attending Foundation meetings at rates set by Ministerial Order. They are also paid for sub-committee meetings, to attend out-of-town meetings and for attending to other Foundation duties.

The Alberta Historical Resources Foundation
Notes to the Financial Statements
For the Year ended March 31, 2009

Note 9 Contractual Obligations (thousands of dollars)

	2009	2008
Grant Agreements	\$ 4,253	\$ 4,580
Service Contracts	3,489	4,098
Long-term Leases	8	14
	<u>\$ 7,750</u>	<u>\$ 8,692</u>

The aggregate amounts payable for the unexpired terms of these contractual obligations are as follows:

	Grant Agreements	Service Contracts	Long-term Leases	Total
2010	\$ 1,629	\$ 3,489	\$ 6	\$ 5,124
2011	1,237	-	2	1,239
2012	730	-	-	730
2013	512	-	-	512
2014	109	-	-	109
Thereafter	36	-	-	36
	<u>\$ 4,253</u>	<u>\$ 3,489</u>	<u>\$ 8</u>	<u>\$ 7,750</u>

Note 10 Approval of Financial Statements

The financial statements were approved by the Board of Directors.

The Alberta Historical Resources Foundation
Expenses – Directly Incurred Detailed by Object
For the Year ended March 31, 2009
(thousands of dollars)

	2009		2008
	Budget	Actual	Actual
Grants	\$ 5,422	\$ 5,210	\$ 4,642
Supplies and Services	3,706	3,848	3,768
Supplies and Services from Support Service Arrangements with Related Parties ^(a)	640	664	413
Honoraria (Note 8)	16	23	28
Amortization of Tangible Capital Assets	56	56	56
	<u>\$ 9,840</u>	<u>\$ 9,801</u>	<u>\$ 8,907</u>
Valuation Adjustments			
Provision for Inventory Write-Off	<u>\$ -</u>	<u>\$ 5</u>	<u>\$ -</u>

^(a) The Foundation receives financial and program related administrative services from the Department of Culture and Community Spirit.

The Alberta Historical Resources Foundation
Related Party Transactions
For the Year ended March 31, 2009
(thousands of dollars)

Related parties are those entities consolidated or accounted for on the modified equity basis in the Province of Alberta's financial statements.

The Foundation paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users and have been excluded from this Schedule.

The Foundation had the following transactions with related parties recorded on the Statement of Operations and the Statement of Financial Position at the amount of consideration agreed upon between the related parties:

	Entities in the Ministry		Other Entities	
	2009	2008	2009	2008
Revenues				
Transfers from the Department of Culture and Community Spirit	\$ 9,507	\$ 8,587	\$ -	\$ -
Expenses – Directly Incurred				
Grants	\$ 50	\$ 25	\$ -	\$ -
Other services	-	-	2	2
	<u>\$ 50</u>	<u>\$ 25</u>	<u>\$ 2</u>	<u>\$ 2</u>
Accounts Payable	<u>\$ 2</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The above transactions do not include support service arrangement transactions disclosed in Schedule 1.

The Foundation also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements but are disclosed in Schedule 3.

	Entities in the Ministry		Other Entities	
	2009	2008	2009	2008
Expenses – Incurred by Others				
Other Services	\$ 96	\$ 363	\$ -	\$ -
Accommodation Costs	-	-	21	18
	<u>\$ 96</u>	<u>\$ 363</u>	<u>\$ 21</u>	<u>\$ 18</u>

The Alberta Historical Resources Foundation
Allocated Costs
For the Year ended March 31, 2009
(thousands of dollars)

Program	2009					2008	
	Expenses – Incurred by Others			Valuation Adjustments	Total Expenses	Total Expenses	
	Expenses ^(a)	Other Services ^(b)	Accommodation Costs ^(c)	Provision for Inventory Write-Off			
Support to Provincial Heritage Organizations	\$ 2,475	\$ -	\$ -	-	\$ 2,475	\$ 2,505	
Glenbow Museum	3,489	-	-	-	3,489	3,434	
Heritage Preservation Projects	2,766	-	-	-	2,766	1,636	
Main Street Program	529	6	1	-	536	573	
Heritage Awareness Projects	294	-	-	-	294	529	
Roger Soderstrom Fellowship Projects	3	-	-	-	3	8	
Administration	245	90	20	5	360	603	
	\$ 9,801	\$ 96	\$ 21	\$ 5	\$ 9,923	\$ 9,288	

(a) Expenses – Directly Incurred as per Statement of Operations.

(b) The Department of Culture and Community Spirit provided financial and administrative services. Costs shown for Other Services on Schedule 2, allocated by estimated costs incurred by each program.

(c) The Department of Infrastructure provided accommodations. Costs shown for Accommodation (includes grants in lieu of taxes) on Schedule 2, allocated by square footage.

The Government House Foundation

Financial Statements

March 31, 2009

**The Government House Foundation
Financial Statements
March 31, 2009**

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Notes to the Financial Statements

Schedule 1 – Expenses – Directly Incurred Detailed by Object

Schedule 2 – Related Party Transactions

Schedule 3 – Allocated Costs



Auditor's Report

To the Directors of The Government House Foundation and the Minister of Culture and Community Spirit:

I have audited the statement of financial position of The Government House Foundation as at March 31, 2009 and the statements of operations and cash flows for the year then ended. These financial statements are the responsibility of the Foundation's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Foundation as at March 31, 2009 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

A handwritten signature in black ink, appearing to read 'Fred J. Deegan'.

FCA
Auditor General

Edmonton, Alberta
June 10, 2009

**The Government House Foundation
Statement of Operations
For the Year ended March 31, 2009**

	<u>2009</u>		<u>2008</u>
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Revenues			
Internal Government Transfers			
Transfers from the Alberta Historical Resources Foundation	\$ 50,000	\$ 50,000	\$ 25,000
Investment Income	5,000	2,810	3,825
Premiums, Fees and Licences	5,000	5,030	6,632
Donations of Artworks	-	4,100	-
	<u>60,000</u>	<u>61,940</u>	<u>35,457</u>
Expenses – Directly Incurred (Note 2(b) and Schedules 1 and 3)			
Public Relations	31,000	20,007	25,652
Administration	12,000	19,660	24,748
Conservation of Collections	3,000	7,992	-
Collection Acquisitions	35,000	4,100	-
	<u>81,000</u>	<u>51,759</u>	<u>50,400</u>
Net Operating Results	<u>\$ (21,000)</u>	10,181	(14,943)
Fund Balance, Beginning of Year		<u>66,228</u>	<u>81,171</u>
Fund Balance, End of Year		<u>\$ 76,409</u>	<u>\$ 66,228</u>

The accompanying notes and schedules are part of these financial statements.

**The Government House Foundation
Statement of Financial Position
As at March 31, 2009**

	<u>2009</u>	<u>2008</u>
Financial Assets		
Cash (Note 3)	\$ 77,933	\$ 67,078
Accounts Receivable	26	-
	<u>\$ 77,959</u>	<u>\$ 67,078</u>
Liabilities		
Accounts Payable and Accrued Liabilities	<u>\$ 1,550</u>	<u>\$ 850</u>
Fund Balance	<u>76,409</u>	<u>66,228</u>
	<u>\$ 77,959</u>	<u>\$ 67,078</u>

The accompanying notes and schedules are part of these financial statements.

**The Government House Foundation
Statement of Cash Flows
For the Year ended March 31, 2009**

	<u>2009</u>	<u>2008</u>
Operating Transactions		
Net Operating Results	\$ 10,181	\$ (14,943)
(Increase) Decrease in Accounts Receivable	(26)	20
Increase in Accounts Payable and Accrued Liabilities	<u>700</u>	<u>100</u>
Cash Provided by (Applied to) Operating Transactions	<u>10,855</u>	<u>(14,823)</u>
Cash, Beginning of Year	<u>67,078</u>	<u>81,901</u>
Cash, End of Year	<u><u>\$ 77,933</u></u>	<u><u>\$ 67,078</u></u>

The accompanying notes and schedules are part of these financial statements.

**The Government House Foundation
Notes to the Financial Statements
For the Year ended March 31, 2009**

Note 1 Authority and Purpose

The Government House Foundation (Foundation) operates under the authority of the *Government House Act*, Chapter G-9, Revised Statutes of Alberta 2000.

The purpose of the Foundation is:

- To advise the Minister on the preservation of Government House as a historic site and building;
- To inform and stimulate the interest of the public in the historical and architectural development of Government House; and
- To solicit and receive by gift, bequest, device, transfer or otherwise, any personal property for use or display in Government House.

The Foundation is a Crown agent of the Government of Alberta and as such has a tax exempt status.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with Canadian generally accepted accounting principles for the public sector as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants.

(a) Reporting Entity

The reporting entity is the Government House Foundation, which is part of the Ministry of Culture and Community Spirit (Ministry) and for which the Minister of Culture and Community Spirit (Minister) is accountable. The Ministry Annual Report provides a more comprehensive accounting of the financial position and results of the Ministry's operations for which the Minister is accountable.

(b) Basis of Financial Reporting

Revenues

All revenues are reported on the accrual basis of accounting. Cash received for which goods or services have not been provided by year end is recorded as unearned revenue.

Donations of materials and services that would otherwise have been purchased are recorded at fair value at the date of donation, when fair value can reasonably be determined.

**The Government House Foundation
Notes to the Financial Statements
For the Year ended March 31, 2009**

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Revenues (continued)

Internal Government Transfers

Internal government transfers are transfers between entities within the government reporting entity where the entity making the transfer does not receive any goods or services directly in return.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Foundation has primary responsibility and accountability for, as reflected in the Government's budget documents.

Incurred by Others

Services contributed by other entities in support of the Foundation's operations are disclosed in Schedule 3.

Assets

Financial assets of the Foundation are limited to cash and accounts receivable from other organizations.

Artworks are not recorded as assets. Purchases of artworks are expensed in the period in which the items are acquired. Donations of artworks and collection items are reported as revenue and expenses at their fair value when fair value can be determined. When fair value cannot be reasonably determined, these donations are recorded at nominal value. Proceeds from the disposition of artworks can only be used to acquire other items to be added to the collection or for the direct care of existing artworks.

Liabilities

Liabilities are recorded to the extent that they represent present obligations as a result of events and transactions occurring prior to the end of fiscal year. The settlement of liabilities will result in sacrifice of economic benefits in the future.

**The Government House Foundation
Notes to the Financial Statements
For the Year ended March 31, 2009**

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of accounts receivable and accounts payable and accrued liabilities are estimated to approximate their carrying value because of the short-term nature of these instruments.

Note 3 Cash

Cash consists of deposits in the Consolidated Cash Investment Trust Fund (CCITF) of the Province of Alberta. CCITF is managed with the objective of providing competitive interest income to depositors while maintaining appropriate security and liquidity of depositors' capital. The portfolio is comprised of high-quality short-term and mid-term fixed-income securities with a maximum term-to-maturity of three years. As at March 31, 2009, securities held by the Fund have a time-weighted return of 3.0% (2008 – 4.5%) per annum.

Due to the short-term nature of these deposits, the carrying value approximates fair value.

Note 4 Artworks and Collections

The Government House Foundation actively collects various significant items pertaining to the history of Government House. The collection is accessible to the public and consists of paintings, drawings, prints, sculptures, furnishings, books and silverware. The majority of the collection is used or displayed in Government House, while some items are on loan to other provincial institutions. The collection is insured.

At March 31, 2009, the collection consisted of approximately 398 (2008 – 392) pieces of artworks and other items, with an approximate value of \$985,000 (2008 – \$981,000). During the year, the Foundation made no artwork purchases (2008 – Nil). Contributions to the collection included 6 artifacts with an appraised value of \$4,100 (2008 – Nil) and there were no dispositions during the year (2008 – Nil).

Note 5 Contractual Obligations

At March 31, 2009, the Foundation had commitments in the amount of approximately \$11,498 (2008 – \$8,731) relating to service contracts. These service contracts are payable in 2010.

Note 6 Approval of Financial Statements

The financial statements were approved by the Board of Directors.

The Government House Foundation
Expenses – Directly Incurred Detailed by Object
Year ended March 31, 2009

	2009		2008
	Budget	Actual	Actual
Supplies and Services			
General Office	\$ 14,000	\$ 24,552	\$ 10,665
Contracted Services	24,000	18,360	31,064
Hosting	5,000	4,747	5,824
Materials and Supplies	38,000	4,100	2,847
	<u>\$ 81,000</u>	<u>\$ 51,759</u>	<u>\$ 50,400</u>

**The Government House Foundation
Related Party Transactions
Year ended March 31, 2009**

Related parties are those entities consolidated or accounted for on the modified equity basis in the Province of Alberta's financial statements.

The Foundation paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users and have been excluded from this Schedule.

The Foundation had the following transactions with related parties recorded in the Statement of Operations and the Statement of Financial Position at the amount of consideration agreed upon between the related parties.

	Entities in the Ministry		Other Entities	
	2009	2008	2009	2008
Revenues				
Transfers from the Alberta Historical Resources Foundation	<u>\$ 50,000</u>	<u>\$ 25,000</u>	<u>\$ -</u>	<u>\$ -</u>
Expenses – Directly Incurred				
Other Services	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,599</u>	<u>\$ 1,935</u>

The Foundation also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements but are disclosed in Schedule 3.

	Entities in the Ministry		Other Entities	
	2009	2008	2009	2008
Expenses – Incurred by Others				
Other Services	\$ 11,310	\$ 8,787	\$ -	\$ -
Accommodation Costs	-	-	2,622	2,623
	<u>\$ 11,310</u>	<u>\$ 8,787</u>	<u>\$ 2,622</u>	<u>\$ 2,623</u>

The Government House Foundation
Allocated Costs
Year ended March 31, 2009

Program	2009				2008	
	Expenses – Incurred by Others				Total Expenses	Total Expenses
	Expenses (a)	Other Services (b)	Accommodation Costs (c)	Total Expenses		
Public Relations	\$ 20,007	\$ 4,372	\$ 1,013	\$ 25,392	\$ 31,459	\$ 31,459
Administration	19,660	4,296	996	24,952	30,351	30,351
Conservation of Collections	7,992	1,746	405	10,143	-	-
Collection Acquisitions	4,100	896	208	5,204	-	-
	<u>\$ 51,759</u>	<u>\$ 11,310</u>	<u>\$ 2,622</u>	<u>\$ 65,691</u>	<u>\$ 61,810</u>	<u>\$ 61,810</u>

(a) Expenses – Directly Incurred as per Statement of Operations.

(b) The Department of Culture and Community Spirit provided financial and administrative services. Costs shown for Other Services on Schedule 2, allocated by estimated costs incurred by each program.

(c) The Department of Infrastructure provided accommodations. Costs shown for Accommodation (includes grants in lieu of taxes) on Schedule 2, allocated by square footage.

Historic Resources Fund

Financial Statements

March 31, 2009

**Historic Resources Fund
Financial Statements
March 31, 2009**

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Notes to the Financial Statements

Schedule 1 – Revenues

Schedule 2 – Expenses – Directly Incurred Detailed by Object

Schedule 3 – Related Party Transactions

Schedule 4 – Allocated Costs

Schedule 5 – Statement of Operations by Fund



Auditor's Report

To the Minister of Culture and Community Spirit:

I have audited the statement of financial position of Historic Resources Fund as at March 31, 2009 and the statements of operations and cash flows for the year then ended. These financial statements are the responsibility of the Fund's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Fund as at March 31, 2009 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

A handwritten signature in dark ink, appearing to read 'Fred J. Duncan'.

FCA
Auditor General

Edmonton, Alberta
June 10, 2009

**Historic Resources Fund
Statement of Operations
For the Year ended March 31, 2009
(thousands of dollars)**

	2009		2008
	Budget	Actual	Actual
Revenues (Schedule 1)			
Interpretive Programs and Services	\$ 3,725	\$ 3,920	\$ 4,023
Promotion and Presentation	4,489	3,776	3,275
Jubilee Auditoria	4,009	5,032	6,156
Other Initiatives	141	134	261
Archaeological Initiatives	328	236	305
Provincial Archives	120	273	141
Investment Income	349	276	346
Donations	271	29	368
Other Revenue	-	16	-
	<u>13,432</u>	<u>13,692</u>	<u>14,875</u>
Expenses – Directly Incurred (Note 2(b) and Schedules 2 and 4)			
Interpretive Programs and Services	3,905	3,908	3,446
Promotion and Presentation	5,059	4,030	3,962
Jubilee Auditoria	3,940	4,227	4,044
Other Initiatives	148	890	233
Archaeological Initiatives	332	278	374
Provincial Archives	120	220	132
	<u>13,504</u>	<u>13,553</u>	<u>12,191</u>
Valuation Adjustments			
Provision for Doubtful Accounts	-	-	1
Provision for Inventory Write-Off	-	3	-
	<u>13,504</u>	<u>13,556</u>	<u>12,192</u>
Net Operating Results	<u>\$ (72)</u>	136	2,683
Fund Balances, Beginning of Year		<u>13,808</u>	<u>11,125</u>
Fund Balances, End of Year		<u>\$ 13,944</u>	<u>\$ 13,808</u>

The accompanying notes and schedules are part of these financial statements.

**Historic Resources Fund
Statement of Financial Position
As at March 31, 2009
(thousands of dollars)**

	2009	2008
Financial Assets		
Cash (Note 3)	\$ 9,175	\$ 9,601
Accounts Receivable (Note 4)	914	844
Inventory for Resale	509	451
Tangible Capital Assets (Note 5)	4,362	4,400
	<u>\$ 14,960</u>	<u>\$ 15,296</u>
Liabilities		
Accounts Payable and Accrued Liabilities	\$ 785	\$ 1,240
Unearned Revenue	231	248
	1,016	1,488
Fund Balances (Schedule 5)		
Operating Fund	4,995	5,211
Restricted Funds	8,949	8,597
	<u>13,944</u>	<u>13,808</u>
	<u>\$ 14,960</u>	<u>\$ 15,296</u>

The accompanying notes and schedules are part of these financial statements.

**Historic Resources Fund
Statement of Cash Flows
For the Year ended March 31, 2009
(thousands of dollars)**

	<u>2009</u>	<u>2008</u>
Operating Transactions		
Net Operating Results	\$ 136	\$ 2,683
Non-cash Items included in Net Operating Results		
Amortization of Tangible Capital Assets	738	639
Valuation Adjustments	<u>3</u>	<u>1</u>
	877	3,323
(Increase) Decrease in Accounts Receivable before Valuation Adjustments	(70)	150
(Increase) in Inventory before Valuation Adjustments	(61)	(120)
(Decrease) in Accounts Payable and Accrued Liabilities	(455)	(553)
(Decrease) Increase in Unearned Revenue	<u>(17)</u>	<u>28</u>
Cash Provided by Operating Transactions	274	2,828
Capital Transactions		
Acquisition of Tangible Capital Assets (Note 5)	<u>(700)</u>	<u>(809)</u>
(Decrease) Increase in Cash	(426)	2,019
Cash, Beginning of Year	<u>9,601</u>	<u>7,582</u>
Cash, End of Year	<u><u>\$ 9,175</u></u>	<u><u>\$ 9,601</u></u>

The accompanying notes and schedules are part of these financial statements.

**Historic Resources Fund
Notes to the Financial Statements
For the Year ended March 31, 2009**

Note 1 Authority and Purpose

The Historic Resources Fund (Fund) operates under the authority of the *Historical Resources Act*, Chapter H-9, Revised Statutes of Alberta 2000, as amended.

The purpose of the Fund is to protect, enhance, promote and display Alberta's historic resources by funding programs designated by the Lieutenant Governor in Council and by promoting the use and development of related facilities.

The Fund is a regulated fund of the Province of Alberta and as such has a tax exempt status.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with Canadian generally accepted accounting principles for the public sector as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants.

(a) Reporting Entity

The reporting entity is the Historic Resources Fund, which is part of the Ministry of Culture and Community Spirit (Ministry), and for which the Minister of Culture and Community Spirit (Minister) is accountable. The Ministry Annual Report provides a more comprehensive accounting of the financial position and results of the Ministry's operations for which the Minister is accountable.

(b) Basis of Financial Reporting

Fund Accounting

Transactions are grouped, for accounting and reporting purposes, into funds in accordance with specified activities or objectives. These funds are described as follows:

- The operating fund accounts for the revenues and expenses associated with the primary activities of the Fund and is unrestricted; and
- Restricted funds account for contributions received with imposed conditions on how the funds are to be used, interest earned and the expenses associated with the specified activities.

Revenues

All revenues are reported on the accrual basis of accounting. Cash received for which goods or services have not been provided by year-end is recorded as unearned revenue.

**Historic Resources Fund
Notes to the Financial Statements
For the Year ended March 31, 2009**

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Revenues (continued)

Donations are recognized as revenues when they are received. Donations of materials and services that would otherwise have been purchased are recorded at fair value at the date of donation when fair value can reasonably be determined.

Transfers from Government of Canada

Transfers from Government of Canada are recognized as revenue when authorized by federal legislation or federal/provincial agreements, eligibility criteria if any are met and a reasonable estimate of the amounts can be made.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Fund has primary responsibility and accountability for, as reflected in the Government's budget documents.

In addition to program operating expenses like salaries, supplies, etc., directly incurred expenses also include:

- Amortization of tangible capital assets.
- Valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value.

Incurred by Others

Services contributed by other entities in support of the Fund's operations are disclosed in Schedule 4.

Assets

Financial assets of the Fund are limited to cash and financial claims such as accounts receivable from other organizations and other individuals as well as inventory for resale. Inventory is valued at the lower of cost and estimated net realizable value. Cost is determined on the first in first out basis.

**Historic Resources Fund
Notes to the Financial Statements
For the Year ended March 31, 2009**

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Assets (continued)

Assets acquired by right are not included. Tangible capital assets of the Fund are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is \$100,000 and the threshold for all other capital assets is \$5,000.

Donated tangible capital assets are recorded at their fair value at the time of contribution.

Liabilities

Liabilities are recorded to the extent that they represent present obligations as a result of events and transactions occurring prior to the end of the fiscal year. The settlement of liabilities will result in sacrifice of economic benefits in the future.

Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of accounts receivable, inventory for resale and accounts payable and accrued liabilities are estimated to approximate their carrying values because of the short-term nature of these instruments.

Note 3 Cash (thousands of dollars)

Cash consists of deposits in the Consolidated Cash Investment Trust Fund (CCITF) of the Province of Alberta. CCITF is managed with the objective of providing competitive interest income to depositors while maintaining appropriate security and liquidity of depositors' capital. The portfolio is comprised of high-quality short-term and mid-term fixed-income securities with a maximum term-to-maturity of three years. As at March 31, 2009, securities held by the Fund have a time-weighted return of 3.0% (2008 – 4.5%) per annum.

Cash in the amount of \$6,933 has been restricted and is therefore not available to pay for operating expenses of the Fund.

Due to the short-term nature of these deposits, the carrying value approximates fair value.

Historic Resources Fund
Notes to the Financial Statements
For the Year ended March 31, 2009

Note 4 Accounts Receivable (thousands of dollars)

	2009		2008	
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Accounts Receivable	\$ 833	\$ -	\$ 833	\$ 656
Refunds from Suppliers	81	-	81	188
	<u>\$ 914</u>	<u>\$ -</u>	<u>\$ 914</u>	<u>\$ 844</u>

Accounts receivable are unsecured and non-interest bearing.

Note 5 Tangible Capital Assets (thousands of dollars)

	Equipment	Computer hardware and software	2009 Total	2008 Total
Estimate Useful Life	3–20 years	5 years		
Historical Cost ^(a)				
Beginning of Year	\$ 6,794	\$ 196	\$ 6,990	\$ 6,192
Additions	589	111	700	809
Disposals, Including Write-Downs	-	-	-	(11)
	<u>\$ 7,383</u>	<u>\$ 307</u>	<u>\$ 7,690</u>	<u>\$ 6,990</u>
Accumulated Amortization				
Beginning of Year	\$ 2,463	\$ 127	\$ 2,590	\$ 1,962
Amortization Expense	715	23	738	639
Effect of Disposals	-	-	-	(11)
	<u>\$ 3,178</u>	<u>\$ 150</u>	<u>\$ 3,328</u>	<u>\$ 2,590</u>
Net Book Value at March 31, 2009	<u>\$ 4,205</u>	<u>\$ 157</u>	<u>\$ 4,362</u>	
Net Book Value at March 31, 2008	<u>\$ 4,331</u>	<u>\$ 69</u>		<u>\$ 4,400</u>

^(a) Historical cost includes work-in-progress at March 31, 2009 totalling \$81 (2008 – \$413).

**Historic Resources Fund
Notes to the Financial Statements
For the Year ended March 31, 2009**

Note 6 Contractual Obligations (thousands of dollars)

	<u>2009</u>	<u>2008</u>
Service Contracts	<u>\$ 5,328</u>	<u>\$ 3,201</u>

The aggregate amounts payable for the unexpired terms of these contractual obligations are as follows:

	<u>Service Contracts</u>
2010	\$ 4,812
2011	511
2012	<u>5</u>
	<u>\$ 5,328</u>

Note 7 Comparative Figures

Certain 2008 figures have been reclassified to conform to the 2009 presentation.

Note 8 Approval of Financial Statements

The financial statements were approved by the Senior Financial Officer and the Deputy Minister.

**Historic Resources Fund
Revenues
For the Year ended March 31, 2009
(thousands of dollars)**

	<u>2009</u>		<u>2008</u>
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Transfers from Government of Canada	\$ 83	\$ 233	\$ 67
Investment Income	349	276	346
Premiums, Fees and Licences	4,053	4,226	4,402
Other Revenue			
Recoveries	4,667	3,104	2,806
Donations	271	29	368
Rental Revenue	1,969	2,500	3,768
Sales	1,690	2,401	2,405
Other Miscellaneous Revenue	350	439	287
Other Grants and Contributions	-	432	272
Prior Years Refunds of Expenses	-	52	154
	<u>\$ 13,432</u>	<u>\$ 13,692</u>	<u>\$ 14,875</u>

Historic Resources Fund
Expenses – Directly Incurred Detailed by Object
For the Year ended March 31, 2009
(thousands of dollars)

	2009		2008
	Budget	Actual	Actual
Supplies and Services			
Materials and Supplies	\$ 2,805	\$ 2,941	\$ 2,416
Contracted Services	8,093	7,816	7,350
General Office	320	573	438
Supplies and Services from Support Service Arrangements with Related Parties ^(a)	1,450	1,347	1,255
Travel	98	135	88
Hosting	1	3	5
Amortization of Tangible Capital Assets	737	738	639
	<u>\$ 13,504</u>	<u>\$ 13,553</u>	<u>\$ 12,191</u>
Valuation Adjustments			
Provision for Doubtful Accounts	\$ -	\$ -	\$ 1
Provision for Inventory Write-Off	-	3	-
	<u>\$ -</u>	<u>\$ 3</u>	<u>\$ 1</u>

^(a) The Fund receives financial and administrative services from the Department of Culture and Community Spirit.

**Historic Resources Fund
Related Party Transactions
For the Year ended March 31, 2009
(thousands of dollars)**

Related parties are those entities consolidated or accounted for on a modified equity basis in the Province of Alberta's financial statements.

The Fund paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users and have been excluded from this Schedule.

The Fund had the following transactions with related parties recorded on the Statement of Operations and the Statement of Financial Position at the amount of consideration agreed upon between the related parties.

	Entities in the Ministry		Other Entities	
	2009	2008	2009	2008
Expenses – Directly Incurred				
Other services	\$ -	\$ -	\$ 10	\$ -
Accounts Receivable	\$ 5	\$ -	\$ -	\$ -
Accounts Payable	\$ 278	\$ 190	\$ 9	\$ -

The above transactions do not include support service arrangement transactions disclosed in Schedule 2.

The Fund also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements but are disclosed in Schedule 4.

	Entities in the Ministry		Other Entities	
	2009	2008	2009	2008
Expenses – Incurred by Others				
Other Services	\$ 345	\$ 325	\$ -	\$ -
Accommodation Costs	-	-	195	110
	\$ 345	\$ 325	\$ 195	\$ 110

Historic Resources Fund
Allocated Costs
For the Year ended March 31, 2009
(thousands of dollars)

	2009			2008	
Program	Expenses ^(a)	Other Services ^(b)	Accommodation Costs ^(c)	Valuation Adjustments	
				Expenses – Incurred by Others	Provision for Inventory Write-Off ^(d)
Interpretive Programs and Services	\$ 3,908	\$ 99	\$ 56	\$ -	\$ 3,569
Promotion and Presentation	4,030	103	58		4,194
Jubilee Auditoria	4,227	107	61		4,395
Other Initiatives	890	23	13		926
Archaeological Initiatives	278	7	4		289
Provincial Archives	220	6	3		229
	<u>\$ 13,553</u>	<u>\$ 345</u>	<u>\$ 195</u>	<u>\$ 3</u>	<u>\$ 14,096</u>
					<u>\$ 12,627</u>

^(a) Expenses – Directly Incurred as per Statement of Operations, excluding valuation adjustments.

^(b) The Department of Culture and Community Spirit provided financial and administrative services. Costs shown for Other Services on Schedule 2, allocated by estimated costs incurred by each program.

^(c) The Department of Infrastructure provided accommodations. Costs shown for Accommodation (includes grants in lieu of taxes) on Schedule 2, allocated by square footage.

^(d) Valuation adjustments as per Statement of Operations. Inventory Write-Off was estimated and allocated to program.

Historic Resources Fund

Statement of Operations by Fund

For the Year ended March 31, 2009

(thousands of dollars)

	2009						2008	
	Restricted Funds						All Funds	All Funds
	Glenbow-Alberta Institute ^(a)	Jubilee Auditoria ^(b)	Japanese-Canadian Initiative ^(c)	Contributions ^(d)	Total Restricted Funds	Operating Fund		
Revenues								
Operating Revenue	\$ 2	\$ 5,031	\$ -	\$ 655	\$ 5,688	\$ 7,698	\$ 13,387	\$ 14,161
Donations	-	-	-	4	4	25	29	368
Investment Income	22	168	5	-	195	81	276	346
	24	5,199	5	659	5,887	7,804	13,692	14,875
Operating Expenditures	755	4,226	1	553	5,535	8,017	13,553	12,191
Valuation Adjustments	-	-	-	-	-	-	-	1
Provision for Doubtful Accounts	-	-	-	-	-	3	3	-
Provision for Inventory Write-Off								
	755	4,226	1	553	5,535	8,020	13,556	12,192
Net Operating Results	(731)	973	4	106	352	(216)	136	2,683
Fund Balance at Beginning of Year	1,209	6,562	183	643	8,597	5,211	13,808	11,125
Fund Balance at End of Year	\$ 478	\$ 7,535	\$ 187	\$ 749	\$ 8,949	\$ 4,995	\$ 13,944	\$ 13,808

^(a) The purpose of the fund is to acquire new provincial historical artifacts from the proceeds of the disposition of deaccessioned provincial collections displayed at the Glenbow-Alberta Institute.

^(b) Accumulated surpluses arising from the operation of the Jubilee Auditoria may only be used for the payment of expenses related to the Jubilee Auditoria.

^(c) The purpose of the fund is to support the educational and scientific exchange between Japanese and Canadian scientists and students to further the knowledge of and build interest in the science of Paleontology with the special interest to the people and the institutions of Japan and the Province of Alberta.

^(d) The purpose of the fund is to support multi year projects where contributors have specified that the donation, sponsorship and/or grant monies are to be spent only on those projects.

Human Rights, Citizenship and Multiculturalism Education Fund

Financial Statements

March 31, 2009

Human Rights, Citizenship and Multiculturalism Education Fund
Financial Statements
March 31, 2009

Auditor's Report

Statement of Operations

Statement of Financial Position

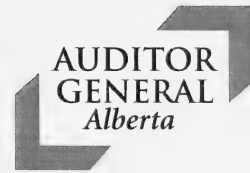
Statement of Cash Flows

Notes to the Financial Statements

Schedule 1 – Expenses – Directly Incurred Detailed by Object

Schedule 2 – Related Party Transactions

Schedule 3 – Allocated Costs



Auditor's Report

To the Minister of Culture and Community Spirit:

I have audited the statement of financial position of Human Rights, Citizenship and Multiculturalism Education Fund as at March 31, 2009 and the statements of operations and cash flows for the year then ended. These financial statements are the responsibility of the Fund's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Fund as at March 31, 2009 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

A handwritten signature in black ink, appearing to read 'Fred J. Duncan'.

FCA
Auditor General

Edmonton, Alberta
June 10, 2009

Human Rights, Citizenship and Multiculturalism Education Fund
Statement of Operations
For the Year ended March 31, 2009
(thousands of dollars)

	2009		2008
	Budget	Actual	Actual
Revenues			
Internal Government Transfers			
Transfers from the Department of Culture and Community Spirit	\$ 2,025	\$ 1,825	\$ 1,865
Transfers from the Alberta Heritage Scholarship Fund	70	50	48
Investment Income	215	131	178
Premiums, Fees and Licences	30	25	26
Previous Years Refunds of Expenses	25	18	-
	<u>2,365</u>	<u>2,049</u>	<u>2,117</u>
Expenses – Directly Incurred (Note 2(b) and Schedules 1 and 3)			
Support to Community Groups	1,340	1,523	1,655
Education Programs	900	430	331
Queen’s Golden Jubilee Awards and Medals	70	50	48
Administration	55	41	58
	<u>2,365</u>	<u>2,044</u>	<u>2,092</u>
Net Operating Results	<u>\$ -</u>	5	25
Operating Fund Balance, Beginning of Year		<u>1,675</u>	<u>1,650</u>
Operating Fund Balance, End of Year		<u>\$ 1,680</u>	<u>\$ 1,675</u>

The accompanying notes and schedules are part of these financial statements.

Human Rights, Citizenship and Multiculturalism Education Fund
Statement of Financial Position
As at March 31, 2009
(thousands of dollars)

	2009	2008
Financial Assets		
Cash (Note 3)	\$ 1,706	\$ 1,894
Accounts Receivable (Note 4)	3	13
	1,709	1,907
Cash Appropriated for Non-Current Use (Notes 3 and 5)	1,450	1,450
	<u>\$ 3,159</u>	<u>\$ 3,357</u>
Liabilities		
Accounts Payable and Accrued Liabilities	\$ 28	\$ 232
Unearned Revenue	1	-
	29	232
Fund Balances		
Operating	1,680	1,675
General Reserve – Restricted (Note 5)	1,450	1,450
	3,130	3,125
	<u>\$ 3,159</u>	<u>\$ 3,357</u>

The accompanying notes and schedules are part of these financial statements.

Human Rights, Citizenship and Multiculturalism Education Fund
Statement of Cash Flows
For the Year ended March 31, 2009
(thousands of dollars)

	2009	2008
Operating Transactions		
Net Operating Results	\$ 5	\$ 25
Decrease (Increase) in Accounts Receivable	10	(9)
(Decrease) in Accounts Payable and Accrued Liabilities	(204)	(245)
Increase in Unearned Revenue	1	-
	<hr/>	<hr/>
Cash (Applied to) Operating Transactions	(188)	(229)
	<hr/>	<hr/>
Cash, Beginning of Year	1,894	2,123
	<hr/>	<hr/>
Cash, End of Year	<u>\$ 1,706</u>	<u>\$ 1,894</u>

The accompanying notes and schedules are part of these financial statements.

Human Rights, Citizenship and Multiculturalism Education Fund
Notes to the Financial Statements
For the Year ended March 31, 2009

Note 1 Authority and Purpose

The Human Rights, Citizenship and Multiculturalism Education Fund (Fund) operates under the authority of the *Human Rights, Citizenship and Multiculturalism Act*, Chapter H-14, Revised Statutes of Alberta 2000.

The purpose of the Fund is to promote equality, increase understanding and acceptance of Alberta's diverse racial and cultural composition, and inform Albertans about their rights and responsibilities under the Human Rights, Citizenship and Multiculturalism Act.

The Fund is owned by the Crown in right of Alberta and as such has a tax exempt status.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with Canadian generally accepted accounting principles for the public sector as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants.

(a) Reporting Entity

The reporting entity is the Human Rights, Citizenship and Multiculturalism Education Fund, which is part of the Ministry of Culture and Community Spirit (Ministry) and for which the Minister of Culture and Community Spirit (Minister) is accountable. The Ministry Annual Report provides a more comprehensive accounting of the financial position and results of the Ministry's operations for which the Minister is accountable.

(b) Basis of Financial Reporting

Revenues

All revenues are reported on the accrual basis of accounting. Cash received for which goods or services have not been provided by year end is recorded as unearned revenue.

Donations are recognized as revenues when they are received. Donations of materials and services that would otherwise have been purchased are recorded at fair value at the date of donation when fair value can reasonably be determined.

Internal Government Transfers

Internal government transfers are transfers between entities within the government reporting entity where the entity making the transfer does not receive any goods or services directly in return.

Human Rights, Citizenship and Multiculturalism Education Fund
Notes to the Financial Statements
For the Year ended March 31, 2009

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Expenses

Directly Incurred

Directly incurred expenses are those costs the Fund has primary responsibility and accountability for, as reflected in the Government's budget documents.

Grants are recorded as expenses when authorized and when all eligibility criteria have been satisfied.

Incurred by Others

Services contributed by other entities in support of the Fund's operations are disclosed in Schedule 3.

Assets

Financial assets of the Fund are limited to cash and financial claims such as accounts receivable from other organizations.

Liabilities

Liabilities are recorded to the extent that they represent present obligations as a result of events and transactions occurring prior to the end of fiscal year. The settlement of liabilities will result in sacrifice of economic benefits in the future.

Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of accounts receivable and accounts payable and accrued liabilities are estimated to approximate their carrying values because of the short-term nature of these instruments.

Note 3 Cash and Cash Appropriated for Non-Current Use

Cash consists of deposits in the Consolidated Cash Investment Trust Fund (CCITF) of the Province of Alberta. CCITF is managed with the objective of providing competitive interest income to depositors while maintaining appropriate security and liquidity of depositors' capital. The portfolio is comprised of high-quality short-term and mid-term fixed-income securities with a maximum term-to-maturity of three years. As at March 31, 2009, securities held by CCITF have a time weighted return of 3.0% (2008 – 4.5%) per annum. Due to the short-term nature of these deposits, the carrying value approximates fair value.

Human Rights, Citizenship and Multiculturalism Education Fund
Notes to the Financial Statements
For the Year ended March 31, 2009

Note 4 Accounts Receivable (thousands of dollars)

	2009		2008	
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Accounts Receivable	<u>\$ 3</u>	<u>\$ -</u>	<u>\$ 3</u>	<u>\$ 13</u>

Accounts receivable are unsecured and non-interest bearing.

Note 5 General Reserve

The general reserve has been established by appropriation from the fund balance. The purpose of the reserve is to maintain a source for ongoing funding capability. The reserve is not available for operations without authorization of the Treasury Board.

Interest earned on the cash appropriated for the reserve is reported as operating revenue.

Note 6 Contractual Obligations (thousands of dollars)

	2009	2008
Grant Agreements	\$ 763	\$ 415
Service Contracts	47	61
	<u>\$ 810</u>	<u>\$ 476</u>

The aggregate amounts payable for the unexpired terms of these contractual obligations are as follows:

	Grant Agreements	Service Contracts	Total
2010	\$ 452	\$ 47	\$ 499
2011	311	-	311
	<u>\$ 763</u>	<u>\$ 47</u>	<u>\$ 810</u>

Human Rights, Citizenship and Multiculturalism Education Fund
Notes to the Financial Statements
For the Year ended March 31, 2009

Note 7 Honoraria (thousands of dollars)

	2009			2008
	Honoraria ^(a)	Benefits and Allowances ^(b)	Total	Total
Advisory Committee				
Chair ^(c)	\$ -	\$ -	\$ -	\$ -
Vice-Chair ^(d)	-	-	-	-
Other Members ^(e)	12	-	12	10
	<u>\$ 12</u>	<u>\$ -</u>	<u>\$ 12</u>	<u>\$ 10</u>

- (a) The Fund has no employees. Staff of the Department of Culture and Community Spirit administers the Fund. Disclosure of information on their salaries and benefits, a requirement under Treasury Directive 03/2004, is included in the financial statements of the Department of Culture and Community Spirit.
- (b) No benefits were provided to the Advisory Committee members.
- (c) The Chair of the Advisory Committee is a Member of the Legislative Assembly and is not compensated by the Fund. The Chair received Nil (2008 – \$15) from the Department of Culture and Community Spirit for his duties as Chair of the Advisory Committee.
- (d) The Vice-Chair of the Advisory Committee is the Chief Commissioner of the Alberta Human Rights and Citizenship Commission and is not compensated by the Fund. The Vice-Chair's salary and benefits are reported in the financial statements of the Department of Culture and Community Spirit.
- (e) Members appointed to the Advisory Committee are paid honoraria for attending meetings and performing other Fund duties at rates set by Ministerial Order.

Note 8 Comparative Figures

Certain 2008 figures have been reclassified to conform to the 2009 presentation.

Note 9 Approval of Financial Statements

The financial statements were approved by the Senior Financial Officer and the Deputy Minister.

Human Rights, Citizenship and Multiculturalism Education Fund
Expenses – Directly Incurred Detailed by Object
For the Year ended March 31, 2009
(thousands of dollars)

	2009		2008
	Budget	Actual	Actual
Grants	\$ 1,080	\$ 1,255	\$ 1,379
Supplies and Services	652	148	285
Supplies and Services from Support Service			
Arrangements with Related Parties ^(a)	625	629	418
Honoraria (Note 7)	8	12	10
	<u>\$ 2,365</u>	<u>\$ 2,044</u>	<u>\$ 2,092</u>

^(a) The Fund receives financial and administrative services from the Department of Culture and Community Spirit.

Human Rights, Citizenship and Multiculturalism Education Fund
Related Party Transactions
For the Year ended March 31, 2009
(thousands of dollars)

Related parties are those entities consolidated or accounted for on the modified equity basis in the Province of Alberta's financial statements.

The Fund paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users and have been excluded from this Schedule.

The Fund had the following transactions with related parties recorded in the Statement of Operations and the Statement of Financial Position at the amount of consideration agreed upon between related parties.

	Entities in the Ministry		Other Entities	
	2009	2008	2009	2008
Revenues				
Transfers from the Department of Culture and Community Spirit	\$ 1,825	\$ 1,865	\$ -	\$ -
Transfers from the Alberta Heritage Scholarship Fund	-	-	50	48
	<u>\$ 1,825</u>	<u>\$ 1,865</u>	<u>\$ 50</u>	<u>\$ 48</u>
Accounts Payable	<u>\$ 7</u>	<u>\$ 28</u>	<u>\$ -</u>	<u>\$ -</u>

The above transactions do not include support service arrangement transactions disclosed in Schedule 1.

The Fund also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements but are disclosed in Schedule 3.

	Entities in the Ministry		Other Entities	
	2009	2008	2009	2008
Expenses – Incurred by Others				
Other Services	\$ 104	\$ 186	\$ -	\$ -
Accommodation Costs	-	-	65	34
Legal Services	-	-	2	-
	<u>\$ 104</u>	<u>\$ 186</u>	<u>\$ 67</u>	<u>\$ 34</u>

Human Rights, Citizenship and Multiculturalism Education Fund

Allocated Costs

For the Year ended March 31, 2009

(thousands of dollars)

Program	Expenses ^(a)	Expenses – Incurred by Others				Total Expenses	Total Expenses
		Other Services ^(b)	Accommodation Costs ^(c)	Legal Services ^(d)			
Support to Community Groups	\$ 1,523	\$ 23	\$ 24	\$ -	\$ 1,570	\$ 1,684	
Education Programs	430	53	30	2	515	471	
Queen's Golden Jubilee Awards and Medals	50	4	1	-	55	52	
Administration	41	24	10	-	75	105	
	<u>\$ 2,044</u>	<u>\$ 104</u>	<u>\$ 65</u>	<u>\$ 2</u>	<u>\$ 2,215</u>	<u>\$ 2,312</u>	

(a) Expenses – Directly Incurred as per Statement of Operations.

(b) The Department of Culture and Community Spirit provided financial and administrative services. Costs shown for Other Services on Schedule 2, allocated by estimated costs incurred by each program.

(c) The Department of Infrastructure provided accommodations. Costs shown for Accommodation (includes grants in lieu of taxes) on Schedule 2, allocated by square footage.

(d) The Department of Justice and Attorney General provided legal services. Costs shown for Legal Services on Schedule 2, allocated by estimated costs incurred by each program.

The Wild Rose Foundation

Financial Statements

March 31, 2009

**The Wild Rose Foundation
Financial Statements
March 31, 2009**

Auditor's Report

Statement of Operations

Statement of Financial Position

Statement of Cash Flows

Notes to the Financial Statements

Schedule 1 – Expenses – Directly Incurred Detailed by Object

Schedule 2 – Related Party Transactions

Schedule 3 – Allocated Costs



Auditor's Report

To the Minister of Culture and Community Spirit:

I have audited the statement of financial position of The Wild Rose Foundation as at March 31, 2009 and the statements of operations and cash flows for the year then ended. These financial statements are the responsibility of the Foundation's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Foundation as at March 31, 2009 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

A handwritten signature in black ink, appearing to read 'Fred J. Dunn'.

FCA
Auditor General

Edmonton, Alberta
June 10, 2009

The Wild Rose Foundation
Statement of Operations
For the Year ended March 31, 2009
(thousands of dollars)

	2009		2008
	Budget	Actual	Actual
Revenues			
Internal Government Transfers			
Transfers from the Department of Culture and Community Spirit	\$ 8,516	\$ 8,516	\$ 8,516
Investment Income	616	407	565
Premiums, Fees and Licences			
Vitalize Conference for Volunteers	144	144	125
Other Revenue			
Donations			
Vitalize Conference for Volunteers	50	75	49
Prior Years Refunds of Expenses			
Other Initiatives	50	61	36
Miscellaneous Revenue			
Vitalize Conference for Volunteers	16	17	5
Other Initiatives	-	-	6
	<u>9,392</u>	<u>9,220</u>	<u>9,302</u>
Expenses – Directly Incurred (Note 2(b) and Schedules 1 and 3)			
Support to Alberta Non-Profit Organizations	5,114	4,977	5,171
International Development Program	1,752	1,749	1,682
Voluntary Sector Development	1,341	1,165	1,107
Vitalize Conference for Volunteers	658	819	817
Other Initiatives	255	207	173
Administration	272	297	287
	<u>9,392</u>	<u>9,214</u>	<u>9,237</u>
Net Operating Results	<u>\$ -</u>	6	65
Operating Fund Balance, Beginning of Year		<u>2,304</u>	<u>2,239</u>
Operating Fund Balance, End of Year		<u>\$ 2,310</u>	<u>\$ 2,304</u>

The accompanying notes and schedules are part of these financial statements.

The Wild Rose Foundation
Statement of Financial Position
As at March 31, 2009
(thousands of dollars)

	2009	2008
Financial Assets		
Cash (Note 3)	\$ 2,649	\$ 2,741
Accounts Receivable	58	2
Investment (Note 3)	6,500	6,500
	9,207	9,243
Prepaid Expenses	41	33
	<u>\$ 9,248</u>	<u>\$ 9,276</u>
Liabilities		
Accounts Payable and Accrued Liabilities	\$ 428	\$ 472
Unearned Revenue	10	-
	438	472
Fund Balances		
Operating Fund	2,310	2,304
Endowment Fund – Internally Restricted (Note 4)	6,500	6,500
	8,810	8,804
	<u>\$ 9,248</u>	<u>\$ 9,276</u>

The accompanying notes and schedules are part of these financial statements.

The Wild Rose Foundation
Statement of Cash Flows
For the Year ended March 31, 2009
(thousands of dollars)

	2009	2008
Operating Transactions		
Net Operating Results	\$ 6	\$ 65
(Increase) in Accounts Receivable	(56)	-
(Increase) Decrease in Prepaid Expenses	(8)	3
(Decrease) Increase in Accounts Payable and Accrued Liabilities	(44)	318
Increase in Unearned Revenue	10	-
	<u>(92)</u>	<u>386</u>
Cash, Beginning of Year	<u>2,741</u>	<u>2,355</u>
Cash, End of Year	<u><u>\$ 2,649</u></u>	<u><u>\$ 2,741</u></u>

The accompanying notes and schedules are part of these financial statements.

**The Wild Rose Foundation
Notes to the Financial Statements
For the Year ended March 31, 2009**

Note 1 Authority and Purpose

The Wild Rose Foundation (Foundation) operates under the authority of the *Wild Rose Foundation Act*, Chapter W-8, Revised Statutes of Alberta 2000.

The purposes of the Foundation are:

- To provide funding to volunteer, non-profit organizations that provide valuable services to Albertans;
- To foster or promote the use of volunteers, or to assist those who volunteer or use the services of volunteers in Alberta; and
- To foster or promote charitable, philanthropic, humanitarian, or public spirited acts or to assist those who perform them.

The Foundation is a Crown agent of the Government of Alberta and as such has a tax exempt status.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with Canadian generally accepted accounting principles for the public sector as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants.

(a) Reporting Entity

The reporting entity is the Wild Rose Foundation, which is part of the Ministry of Culture and Community Spirit (Ministry) and for which the Minister of Culture and Community Spirit (Minister) is accountable. The Ministry Annual Report provides a more comprehensive accounting of the financial position and results of the Ministry's operations for which the Minister is accountable.

(b) Basis of Financial Reporting

Revenue

All revenues are reported on the accrual basis of accounting. Cash received for which goods or services have not been provided by year end is recorded as unearned revenue.

Donations are recognized as revenues when they are received. Donations of materials and services that would otherwise have been purchased are recorded at fair value at the date of donation when fair value can reasonably be determined.

Internal Government Transfers

Internal government transfers are transfers between entities within the government reporting entity where the entity making the transfer does not receive any goods or services directly in return.

**The Wild Rose Foundation
Notes to the Financial Statements
For the Year ended March 31, 2009**

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Expenses

Directly Incurred

Directly incurred expenses are those costs the Foundation has primary responsibility and accountability for, as reflected in the Government's budget documents.

Directly incurred expenses include amortization of tangible capital assets.

Grants are recorded as expenses when authorized and when all eligibility criteria have been satisfied.

Incurred by Others

Services contributed by other entities in support of the Foundation operations are disclosed in Schedule 3.

Assets

Financial assets of the Foundation are limited to cash and financial claims such as accounts receivable from other organizations.

Assets acquired by right are not included. Tangible capital assets of the Foundation are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is \$100,000 and the threshold for all other capital assets is \$5,000.

Liabilities

Liabilities are recorded to the extent that they represent present obligations as a result of events and transactions occurring prior to the end of the fiscal year. The settlement of liabilities will result in sacrifice of economic benefits in the future.

Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of accounts receivable and accounts payable and accrued liabilities are estimated to approximate their carrying values because of the short-term nature of these instruments.

The Wild Rose Foundation
Notes to the Financial Statements
For the Year ended March 31, 2009

Note 3 Cash and Investment

Cash consists of deposits in the Consolidated Cash Investment Trust Fund (CCITF) of the Province of Alberta. CCITF is managed with the objective of providing competitive interest income to depositors while maintaining appropriate security and liquidity of depositors' capital. The portfolio is comprised of high-quality short-term and mid-term fixed-income securities with a maximum term-to-maturity of three years. As at March 31, 2009, securities held by CCITF have a time-weighted return of 3.0% (2008 – 4.5%) per annum.

Investment also consists of deposits in the CCITF. It represents deposits equivalent to the endowment fund balance. These deposits are internally restricted.

Due to the short-term nature of these deposits, the carrying value approximates fair value.

Note 4 Endowment Fund – Internally Restricted (thousands of dollars)

In 1985, the members of the Foundation directed that the initial contribution of lottery funds amounting to \$4,500 be placed in an endowment fund so that the funds are not available for use in its operations. In 1993, a further \$2,000 was transferred from the operating fund balance to the endowment fund. The purpose of the fund is to earn income and to retain an ongoing funding capability.

Interest earned on the endowment fund is reported as operating revenue.

Note 5 Honoraria (thousands of dollars)

	2009			2008	
	Honoraria ^(a)	Benefits and Allowances ^(b)	Total	Total	
Board ^(c)					
Chair	\$ 15	\$ -	\$ 15	\$	18
Other Members (6)	24	-	24		23
	<u>\$ 39</u>	<u>\$ -</u>	<u>\$ 39</u>	<u>\$</u>	<u>41</u>

The Wild Rose Foundation
Notes to the Financial Statements
For the Year ended March 31, 2009

Note 5 Honoraria (thousands of dollars) (continued)

- (a) The Foundation has no employees. Staff of the Department of Culture and Community Spirit administers the Foundation. Disclosure of information on their salaries and benefits, a requirement under Treasury Directive 03/2004, is included in the financial statements of the Department of Culture and Community Spirit
- (b) No benefits were provided to Board members.
- (c) Members appointed to the Foundation are paid honoraria for attending Foundation meetings at rates set by Ministerial Order. They are also paid for sub-committee meetings, to attend out of town meetings and for attending to other Foundation duties.

Note 6 Contractual Obligations (thousands of dollars)

	2009	2008
Grant Agreements	\$ 1,440	\$ -
Service Contracts		
Vitalize Conference for Volunteers	466	331
Leadership and Board Development	40	127
	506	458
	\$ 1,946	\$ 458

The aggregate amounts payable for the unexpired terms of these contractual obligations are as follows:

	Grant Agreements	Service Contracts
2010	\$ 720	\$ 254
2011	720	128
2012	-	124
	\$ 1,440	\$ 506

**The Wild Rose Foundation
Notes to the Financial Statements
For the Year ended March 31, 2009**

Note 7 Subsequent Events (thousands of dollars)

As a result of the provincial budget (Budget 2009) that was released on April 7, 2009, the Foundation's spending authority for the 2009-10 fiscal year was significantly decreased from the 2008-09 fiscal year's comparable amount of \$9,392. The 2009-10 Estimates of \$729 provide for the Foundation to continue delivering the 2009 Vitalize Conference for Volunteers program. The Foundation will no longer deliver any grant programs. The Board of Directors will no longer function.

The Leadership Development, Board Development, Youth Initiatives and Volunteer Awards/Week programs will be transferred from the Wild Rose Foundation to the Department of Culture and Community Spirit effective April 1, 2009.

Grant commitments at March 31, 2009 in the amount of \$1,440 as disclosed in Note 6 will be funded by the Department of Culture and Community Spirit. Service contracts for the Leadership and Board Development programs in the amount of \$40 will be funded by the Department, and service contracts for the Vitalize Conference for Volunteers program in the amount of \$466 will be funded by the Foundation.

Note 8 Comparative Figures

Certain 2008 figures have been reclassified to conform to the 2009 presentation.

Note 9 Approval of Financial Statements

The financial statements have been approved by the Senior Financial Officer and the Deputy Minister.

The Wild Rose Foundation
Expenses – Directly Incurred Detailed by Object
For the Year ended March 31, 2009
(thousands of dollars)

	2009		2008
	Budget	Actual	Actual
Grants	\$ 7,032	\$ 7,091	\$ 7,166
Supplies and Services	1,434	1,163	1,159
Supplies and Services from Support Services			
Arrangements with Related Parties ^(a)	871	921	871
Honoraria (Note 5)	55	39	41
	<u>\$ 9,392</u>	<u>\$ 9,214</u>	<u>\$ 9,237</u>

^(a) The Foundation receives financial and program related administrative services from the Department of Culture and Community Spirit.

**The Wild Rose Foundation
Related Party Transactions
For the Year ended March 31, 2009
(thousands of dollars)**

Related parties are those entities consolidated or accounted for on the modified equity basis in the Province of Alberta's financial statements.

The Foundation paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users and have been excluded from this Schedule.

The Foundation had the following transactions with related parties recorded on the Statement of Operations and the Statement of Financial Position at the amount of consideration agreed upon between the related parties.

	Entities in the Ministry		Other Entities	
	2009	2008	2009	2008
Revenues				
Transfers from the Department of Culture and Community Spirit	\$ 8,516	\$ 8,516	\$ -	\$ -
Expenses – Directly Incurred				
Other services	\$ -	\$ -	\$ 2	\$ 1
Accounts Receivable	\$ 54	\$ -	\$ -	\$ -
Accounts Payable	\$ 13	\$ 17	\$ -	\$ -

The above transactions do not include support service arrangement transactions disclosed in Schedule 1.

The Foundation also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements but are disclosed in Schedule 3.

	Entities in the Ministry		Other Entities	
	2009	2008	2009	2008
Expenses – Incurred by Others				
Accommodation Costs	\$ -	\$ -	\$ 74	\$ 65
Other Services	19	18	-	-
Legal Services	-	-	-	1
	\$ 19	\$ 18	\$ 74	\$ 66

The Wild Rose Foundation
Allocated Costs
For the Year ended March 31, 2009
(thousands of dollars)

	2009					2008
	Expenses – Incurred by Others					
Program	Expenses (a)	Accommodation Costs (b)	Other Services (c)	Legal Services (d)	Total Expenses	Total Expenses
Support to Alberta Non-Profit Organizations	\$ 4,977	\$ 40	\$ 10	\$ -	\$ 5,027	\$ 5,218
International Development Program	1,749	14	4	-	1,767	1,697
Voluntary Sector Development	1,165	9	2	-	1,176	1,117
Vitalize Conference for Volunteers	819	7	2	-	828	825
Other Initiatives	207	2	-	-	209	174
Administration	297	2	1	-	300	290
	<u>\$ 9,214</u>	<u>\$ 74</u>	<u>\$ 19</u>	<u>\$ -</u>	<u>\$ 9,307</u>	<u>\$ 9,321</u>

(a) Expenses – Directly Incurred as per Statement of Operations.

(b) The Department of Infrastructure provided accommodations. Costs shown for Accommodation (includes grants in lieu of taxes) on Schedule 2, allocated by square footage.

(c) The Department of Culture and Community Spirit provided financial and administrative services. Costs shown for Other Services on Schedule 2, allocated by estimated costs incurred by each program.

(d) The Department of Justice and Attorney General provided legal services. Costs shown for Legal Services on Schedule 2, allocated by estimated costs incurred by each program.

Other Information

Ministry of Culture and Community Spirit Statements of Write-Offs for the Year Ended March 31, 2009

The Following Information is Unaudited:

The following has been prepared pursuant to section 23 of the *Financial Administration Act*. This statement includes all write-offs made or approved during the fiscal year. There were no remissions or compromises.

	<u>Unaudited</u>
Write-offs	
Accounts receivable	\$ 2,710
Total	<u>\$ 2,710</u>

Acts Administered by Culture and Community Spirit

Culture and Community Spirit is responsible for a wide array of acts that have a direct impact on quality of life in Alberta. Below is a list of all acts administered by Culture and Community Spirit.

Name of Act	Description
<i>Alberta Centennial Medal Act</i>	Establishes the Centennial Medal and the process to award medals to outstanding Albertans who have made significant contributions to society
<i>Alberta Foundation for the Arts Act</i>	Establishes the Foundation with its mandate to promote arts development
<i>Amusements Act</i>	Provides for licenses for screening motion pictures, classification of films and prohibits access of minors to adult videos
<i>Emblems of Alberta Act</i>	Establishes provincial emblems and governs the reproduction and use of the emblems
<i>First Nations Sacred Ceremonial Objects Repatriation Act</i>	Provides the mechanism for the repatriation of First Nations sacred objects
<i>Foreign Cultural Property Immunity Act</i>	Provides for immunity from seizure of foreign cultural property in Alberta
<i>Glenbow-Alberta Institute Act</i>	Enables the Glenbow Alberta institute to hold and administer grants, and to foster historical, cultural and scientific activities in Alberta
<i>Government House Act</i>	Establishes the Foundation and sets out its mandate to preserve and promote Government House
<i>Historical Resources Act</i>	Provides for the use and protection of historic resources; establishes the Historic Resources Fund and the Alberta Historical Resources Foundation
<i>Holocaust Memorial Day and Genocide Remembrance Act</i>	Establishes Yom ha-Shoah – Holocaust Memorial Day
<i>Human Rights, Citizenship and Multiculturalism Act</i>	Provides for Heritage Day and establishes the Human Rights Commission and the Human Rights, Citizenship and Multiculturalism Education Fund; prohibits discrimination on specific grounds
<i>Queen Elizabeth II Golden Jubilee Recognition Act</i>	Establishes special awards and scholarships that honour Alberta youth in recognition of the Queen's Golden Jubilee
<i>Wild Rose Foundation Act</i>	Establishes the Foundation and sets out its mandate of providing grants for volunteer non-profit organizations and to promote charitable and humanitarian activities

Performance Measures: Results at a Glance

Performance Measures	2007-08 Results	2008-09 Results	Target
Goal 1 – Increased growth, sustainability and investment in Alberta’s cultural industries, including film and television, sound recording and book and magazine publishing			
M 1.a Dollars spent in Alberta as a result of film and television productions supported by the Alberta Film Development Program (\$million)	102.3	106.8	150
Goal 2 – Alberta is a culturally vibrant province with a thriving arts sector that is valued by Albertans			
M 2.a Participation in arts activities or events by adult Albertans	87.4%	91.0%	89%
Goal 3 – Alberta is strengthened through support to communities and the nonprofit/voluntary sector			
M 3.a Level of community volunteerism by adult Albertans	68.6%	81.4%	67%
M 3.b Percentage of Community Initiatives Program/Community Facility Enhancement Program grant recipients who indicate the funding benefited their community	96.9%	99.2%	98%
M 3.c Customer satisfaction with capacity building facilitation services and workshops	98.3%	97.3%	98%
Goal 4 – Alberta’s rich heritage is valued and the province’s historical resources are preserved to enhance learning and research			
M 4.a Visitor satisfaction with experiences at provincial historic sites, museums and interpretive centres	98.2%	99.0%	98%
M 4.b Percentage of visitors to provincial historic sites, museums and interpretive centres who rated the knowledge they gained of Alberta history as excellent or good	91.1%	92.7%	92%
M 4.c Economic impact of provincial historic sites, museums and interpretive centres (\$million):			
(i) Value-added impact	75.3	N/A*	63
(ii) Taxation revenue returned to three levels of government	28.5	N/A*	25
Goal 5 – Albertans participate in the social, economic and cultural life of the province without discrimination			
M 5.a Percentage of adult Albertans who believe human rights are well protected in Alberta	88.0%	91.1%	89%

* Results lag one year behind the reporting year due to the complexity of the data collection.

Performance Measures: Data Sources and Methodology

Alberta Film Development Program Production Reports

(Measure: 1.a)

The results for this measure are collected from the Alberta Film Development Program's administration records. Film production companies approved for funding under the Alberta Film Development Program submit production reports to the Ministry for each production satisfactorily completed. Basic information from the production report is entered by program staff into an Excel spreadsheet that produces a sum of the dollar value of film productions for the fiscal year. Based on the value of the project, the film production companies provide either audit statements and/or review engagements prepared by qualified accountants or an affidavit as part of the production report. Data for a production are included in the fiscal year that the grant was paid or accrued. Reporting may occur in a different fiscal year than the year in which the bulk of production work takes place due to project completion times crossing the reporting year and influencing results for the following year.

Culture and Community Spirit Survey of Albertans

(Measures: 2.a, 3.a, 5.a)

The Culture and Community Spirit Survey of Albertans is an annual province-wide telephone survey of 1,000 adult Albertans. In 2008-09, a separate survey was conducted for the human rights section to reduce the length of the survey and to assist in increasing response rates and decreasing respondent burden. Furthermore, questions from the Parks and Sport and Recreation Divisions that were included in previous years were removed and combined into a new separate survey that was conducted independently by the Ministry of Tourism, Parks and Recreation. Splitting the questionnaire may reduce the risk of respondent fatigue and result in more accurate responses. The survey methodology used was consistent with previous years to ensure comparability of results.

Banister Research and Consulting Inc. conducted the surveys using a random sample stratified by age group, gender and geographic location, to be representative of Alberta's population for both the Survey of Albertans and the human rights section. Interviews were conducted from February 11 to March 15, 2009 by trained and experienced interviewers. Interviewer performance was monitored on an on-going basis. The response rate for the Culture and Community Spirit Survey of Albertans was 34.8 per cent and the response rate for the human rights section was 32.5 per cent. The margin of error is +/- 3.1 per cent at the 95 per cent confidence level for both surveys.

Survey of Community Initiatives Program Clients and Survey of Community Facility Enhancement Program Clients

(Measure: 3.b)

The 2008-09 surveys were conducted by Banister Research and Consulting Inc. Samples were drawn from all the Community Initiatives Program and Community Facility Enhancement Program accounting clients in the 2008-09 fiscal year. The sample sizes were 216 for the Community Initiatives Program survey and 137 for the Community Facility Enhancement Program survey. The surveys were conducted by using a computer-assisted telephone interviewing system. Banister Research and Consulting Inc. was also responsible for reviewing the surveys and questionnaire design, data quality control, conducting data entry and verification and preparation of the final reports. Interviews for the two surveys were conducted between April 25 and May 4, 2009. Results were determined using the “yes” category of the response options “yes” and “no.” The overall margin of error for the measure is +/- 4.4 per cent at the 95 per cent confidence level. The margin of error for the Community Initiatives Program survey is +/- 5.6 per cent at the 95 per cent confidence level and the margin of error for the Community Facility Enhancement Program survey is +/- 7.1 per cent at the 95 per cent confidence level.

Client Satisfaction Survey – Customer Service Information (CSI) system

(Measure: 3.c)

The survey was conducted from April 1, 2008 to March 31, 2009 by the Community Development Branch. Survey respondents are clients with whom agreements for service have been determined, and are selected from the membership of those who receive branch services. Clients are community leaders, members of organizations or representatives of government set in the context of group participation. Only projects completed during the fiscal year are counted in the survey, even if the project was started in a prior fiscal year. There were 4,495 surveys distributed and 4,047 surveys were returned. Overall satisfaction (positive response) is based on the top two response categories of a six point scale with the following response categories: very satisfied, satisfied, slightly satisfied, slightly dissatisfied, dissatisfied and very dissatisfied. The margin of error for the Client Satisfaction Survey is +/- 0.5 per cent at the 95 per cent confidence level.

Heritage Facilities Visitor Survey - Non-local and Local Residents

(Measures: 4.a, 4.b, 4.c (i) and (ii))

The satisfaction level of visitors at provincial historic sites, museums and interpretive centres is determined through Culture and Community Spirit's Heritage Facilities Visitor Survey. This measure reports the overall satisfaction level of “independent” visitors. Independent visitors do not include: school groups, tours or other groups; after-hours visitors to facilities; people attending education programs; or visitors attending facilities for special functions. A private research firm, Banister Research and Consulting Inc., was responsible for survey and questionnaire design updates, data quality control, conducting data entry and verification and final report preparation. Overall results were determined using the top two combined response categories of a five-point rating scale for the categories very satisfied, satisfied, neither satisfied nor dissatisfied, dissatisfied and very dissatisfied.

A multi-stage, stratified systematic random sample was used, and each facility was sampled independently. More than 5,200 interviews were processed at 16 facilities across the province, and 99 per cent of respondents who completed the survey answered the overall satisfaction question. The results are reliable to within +/- 1.3 per cent at the 95 per cent confidence level. The sample was based on two seasons: winter 2007-08 (September 4, 2007 - May 15, 2008) and summer 2008 (May 16 to September 1, 2008). Surveying during winter is conducted on an

occasional basis only, as the winter period makes up a relatively small proportion of visitation. Results may have been impacted by the addition of new exhibits, renovated facilities, visitors' expectations and previous experiences. Results for measures 4.c (i) and (ii) lag one year behind. More information on these measures is available under the Demand Economic Impact Model section.

Demand Economic Impact Model (DEIM)

(Measure: 4.c (i) and (ii))

Econometric Research Ltd. was contracted to apply the Demand Economic Impact Model to estimate the level of economic activity created by the operation of the Ministry's provincial historic sites, museums and interpretive centres. There are seventeen sites that participated in the 2007-08 survey. Economic activity included the direct operational expenditures, incremental visitor expenditures (based on information from the 2007-08 Heritage Facilities Visitor Survey) and the significant indirect benefits for the local and provincial economies. The value-added economic impact and taxation revenue generated were measured and reported separately to assist in evaluating associated economic benefits. Taxes generated (e.g., income taxes, GST, liquor and tobacco taxes, room taxes, etc.) were attributed to the level of government receiving them. For example, the federal government receives the proceeds from the GST, the provincial government receives the room taxes, and the local government receives property and business taxes. Results continue to lag one year behind the reporting year due to the extensive research and analysis involved in developing this measure.

Entities included in the consolidated government reporting entity

Ministry, Department, Fund or Agency

Ministry Annual Report

Alberta Culture and Community Spirit 2008 – 09 ANNUAL REPORT

Entities included in the consolidated government reporting entity

<i>Ministry, Department, Fund or Agency</i>	<i>Ministry Annual Report</i>
Colleges:	Advanced Education and Technology
Alberta College of Art and Design	
Bow Valley College	
Grande Prairie Regional College	
Grant MacEwan College	
Keyano College	
Lakeland College	
Lethbridge Community College	
Medicine Hat College	
Mount Royal College	
NorQuest College	
Northern Lakes College	
Olds College	
Portage College	
Red Deer College	
Department of Advanced Education and Technology	Advanced Education and Technology
Department of Agriculture and Rural Development	Agriculture and Rural Development
Department of Children and Youth Services	Children and Youth Services
Department of Culture and Community Spirit	Culture and Community Spirit
Department of Education	Education
Department of Energy	Energy
Department of Finance and Enterprise	Finance and Enterprise
Department of Environment	Environment
Department of Health and Wellness	Health and Wellness
Department of Housing and Urban Affairs	Housing and Urban Affairs
Department of Municipal Affairs	Municipal Affairs
Department of Seniors and Community Supports	Seniors and Community Supports
Department of Solicitor General and Public Security	Solicitor General and Public Security
Department of Sustainable Resource Development	Sustainable Resource Development
Department of Tourism, Parks and Recreation	Tourism, Parks and Recreation
Energy Resources Conservation Board ¹	Energy
Environmental Protection and Enhancement Fund	Sustainable Resource Development
Gainers Inc.	Finance and Enterprise
Government House Foundation	Culture and Community Spirit
Historic Resources Fund	Culture and Community Spirit
Human Rights, Citizenship and Multiculturalism Education Fund	Culture and Community Spirit
iCORE Inc.	Advanced Education and Technology
Lottery Fund	Solicitor General and Public Security
Ministry of Aboriginal Relations ⁶	Aboriginal Relations
Ministry of Advanced Education and Technology	Advanced Education and Technology
Ministry of Agriculture and Rural Development	Agriculture and Rural Development
Ministry of Children and Youth Services	Children and Youth Services
Ministry of Culture and Community Spirit	Culture and Community Spirit
Ministry of Education	Education
Ministry of Employment and Immigration ⁶	Employment and Immigration
Ministry of Energy	Energy
Ministry of Environment	Environment
Ministry of Executive Council ⁶	Executive Council
Ministry of Finance and Enterprise	Finance and Enterprise
Ministry of Health and Wellness	Health and Wellness
Ministry of Housing and Urban Affairs	Housing and Urban Affairs
Ministry of Infrastructure ⁶	Infrastructure
Ministry of International and Intergovernmental Relations ⁶	International, and Intergovernmental Relations
Ministry of Justice ⁶	Justice
Ministry of Municipal Affairs	Municipal Affairs
Ministry of Seniors and Community Supports	Seniors and Community Supports
Ministry of Service Alberta ⁶	Service Alberta

Entities included in the consolidated government reporting entity

Ministry, Department, Fund or Agency

Ministry Annual Report

Ministry of Solicitor General and Public Security
 Ministry of Sustainable Resource Development
 Ministry of Tourism, Parks, and Recreation
 Ministry of Transportation⁶
 Ministry of the Treasury Board⁶
 N.A. Properties (1994) Ltd.
 Natural Resources Conservation Board
 Persons with Developmental Disabilities Community Boards:
 Calgary Region Community Board
 Central Region Community Board
 Edmonton Region Community Board
 Northeast Region Community Board
 Northwest Region Community Board
 South Region Community Board
 Provincial Judges and Masters in Chambers Reserve Fund
 Regional Health Authorities and Provincial Health Boards:
 Alberta Cancer Board
 Alberta Mental Health Board
 Aspen Regional Health Authority
 Calgary Health Region
 Capital Health
 Chinook Regional Health Authority
 David Thompson Regional Health Authority
 East Central Health
 Health Quality Council of Alberta
 Northern Lights Health Region
 Peace Country Health
 Palliser Health Region
 Safety Codes Council
 School Boards and Charter Schools:
 Almadina School Society
 Aspen View Regional Division No. 19
 Aurora School Ltd.
 Battle River Regional Division No. 31
 Black Gold Regional Division No. 18
 Boyle Street Education Centre
 Buffalo Trail Public Schools Regional Division No. 28
 Calgary Arts Academy Society
 Calgary Girls' School Society
 Calgary Roman Catholic Separate School District No. 1
 Calgary School District No. 19
 Calgary Science School Society
 Canadian Rockies Regional Division No. 12
 CAPE-Centre for Academic and Personal Excellence Institute
 Chinook's Edge School Division No. 73
 Christ the Redeemer Catholic Separate Regional Division No. 3
 Clearview School Division No. 71
 East Central Alberta Catholic Separate Schools Regional Division No. 16
 East Central Francophone Education Region No. 3
 Edmonton Catholic Separate School District No. 7
 Edmonton School District No. 7
 Elk Island Catholic Separate Regional Division No. 41
 Elk Island Public Schools Regional Division No. 14

Solicitor General and Public Security
 Sustainable Resource Development
 Tourism, Parks, and Recreation
 Transportation
 Treasury Board
 Finance and Enterprise
 Sustainable Resource Development
 Seniors and Community Supports

Finance and Enterprise
 Health and Wellness

Municipal Affairs
 Education

Entities included in the consolidated government reporting entity

Ministry, Department, Fund or Agency

Ministry Annual Report

Evergreen Catholic Separate Regional Division No. 2
FFCA Charter School Society
Foothills School Division No. 38
Fort McMurray Roman Catholic Separate School District No. 32
Fort McMurray School District No. 2833
Fort Vermilion School Division No. 52
Golden Hills School Division No. 75
Grande Prairie Public School District No. 2357
Grande Prairie Roman Catholic Separate School District No. 28
Grande Yellowhead Regional Division No. 35
Grasslands Regional Division No. 6
Greater North Central Francophone Education Region No. 2
Greater Southern Public Francophone Education Region No. 4
Greater Southern Separate Catholic Francophone Education Region No. 4
Greater St. Albert Catholic Regional Division No. 29
High Prairie School Division No. 48
Holy Family Catholic Regional Division No. 37
Holy Spirit Roman Catholic Separate Regional Division No. 4
Horizon School Division No. 67
Lakeland Roman Catholic Separate School District No. 150
Lethbridge School District No. 51
Living Waters Catholic Regional Division No. 42
Livingstone Range School Division No. 68
Medicine Hat Catholic Separate Regional Division No. 20
Medicine Hat School District No. 76
Moberly Hall School Society
Mother Earth's Children's Charter School Society
New Horizons Charter School Society
Northern Gateway Regional Division No. 10
Northern Lights School Division No. 69
Northland School Division No. 61
Northwest Francophone Education Region No. 1
Palliser Regional Division No. 26
Parkland School Division No. 70
Peace River School Division No. 10
Peace Wapiti School Division No. 76
Pembina Hills Regional Division No. 7
Prairie Land Regional Division No. 25
Prairie Rose School Division No. 8
Red Deer Catholic Regional Division No. 39
Red Deer School District No. 104
Rocky View School Division No. 41
St. Albert Protestant Separate School District No. 6
St. Paul Education Regional Division No. 1
St. Thomas Aquinas Roman Catholic Separate Regional Division No. 38
Sturgeon School Division No. 24
Suzuki Charter School Society
Westmount Charter School Society
Westwind School Division No. 74
Wetaskiwin Regional Division No. 11
Wild Rose School Division No. 66
Wolf Creek School Division No. 72

Entities included in the consolidated government reporting entity

Ministry, Department, Fund or Agency

Ministry Annual Report

Supplementary Retirement Plan Reserve Fund
 Technical Institutes and The Banff Centre:
 Northern Alberta Institute of Technology
 Southern Alberta Institute of Technology
 The Banff Centre for Continuing Education
 Universities:
 Athabasca University
 The University of Alberta
 The University of Calgary
 The University of Lethbridge
 Victims of Crime Fund
 The Wild Rose Foundation

Finance and Enterprise
 Advanced Education and Technology

 Advanced Education and Technology

 Solicitor General and Public Security
 Culture and Community Spirit

Entities not included in the consolidated government reporting entity

Fund or Agency

Ministry Annual Report

Alberta Foundation for Health Research
 Alberta Heritage Foundation for Medical Research
 Alberta Heritage Foundation for Science and Engineering Research
 Alberta Teachers' Retirement Fund Board
 Improvement Districts' Trust Account
 Local Authorities Pension Plan
 Long-Term Disability Income Continuance Plan - Bargaining Unit
 Long-Term Disability Income Continuance Plan - Management,
 Opted Out and Excluded
 Management Employees Pension Plan
 Provincial Judges and Masters in Chambers (Registered) Pension
 Plan
 Public Service Management (Closed Membership) Pension Plan
 Public Service Pension Plan
 Special Areas Trust Account
 Special Forces Pension Plan
 Supplementary Retirement Plan for Public Service Managers
 Workers' Compensation Board

Advanced Education and Technology
 Advanced Education and Technology
 Advanced Education and Technology
 Education
 Municipal Affairs
 Finance and Enterprise
 Treasury Board
 Treasury Board

 Finance and Enterprise
 Finance and Enterprise

 Finance and Enterprise
 Finance and Enterprise
 Municipal Affairs
 Finance and Enterprise
 Finance and Enterprise
 Employment and Immigration

FOOTNOTES:

1 EFFECTIVE JANUARY 1, 2008, THE ALBERTA ENERGY AND UTILITIES BOARD WAS REALIGNED INTO TWO SEPARATE REGULATORY BODIES: THE ALBERTA UTILITIES COMMISSION AND THE ENERGY RESOURCES CONSERVATION BOARD.

2 THE ACT WAS PROCLAIMED AND CAME INTO FORCE ON DECEMBER 5, 2008.

3 BEGAN OPERATIONS JULY 1, 2008.

4 INCORPORATED ON JANUARY 29, 2009.

5 BEGAN OPERATIONS JULY 1, 2007.

6 MINISTRY INCLUDES ONLY THE DEPARTMENTS SO SEPARATE FINANCIAL STATEMENTS ARE NOT NECESSARY.

Readership Survey

Culture and Community Spirit 2008-09 Annual Report

Thank you for reading the Culture and Community Spirit 2008-09 Annual Report. We hope that you will take a few minutes to complete this readership survey. We are committed to continuous improvement and welcome your feedback and suggestions.

Instructions: Please read each question carefully and circle the rating that best describes your response. If you require more space for your response, please use a separate piece of paper and identify the corresponding question clearly. If you have any questions, or require further clarification, please call Brad Babiak (780) 644-3272 or send an e-mail to brad.babiak@gov.ab.ca

If you would like to be contacted regarding your feedback, please provide your information below.

Name:
Organization:
Telephone Number:
E-mail:

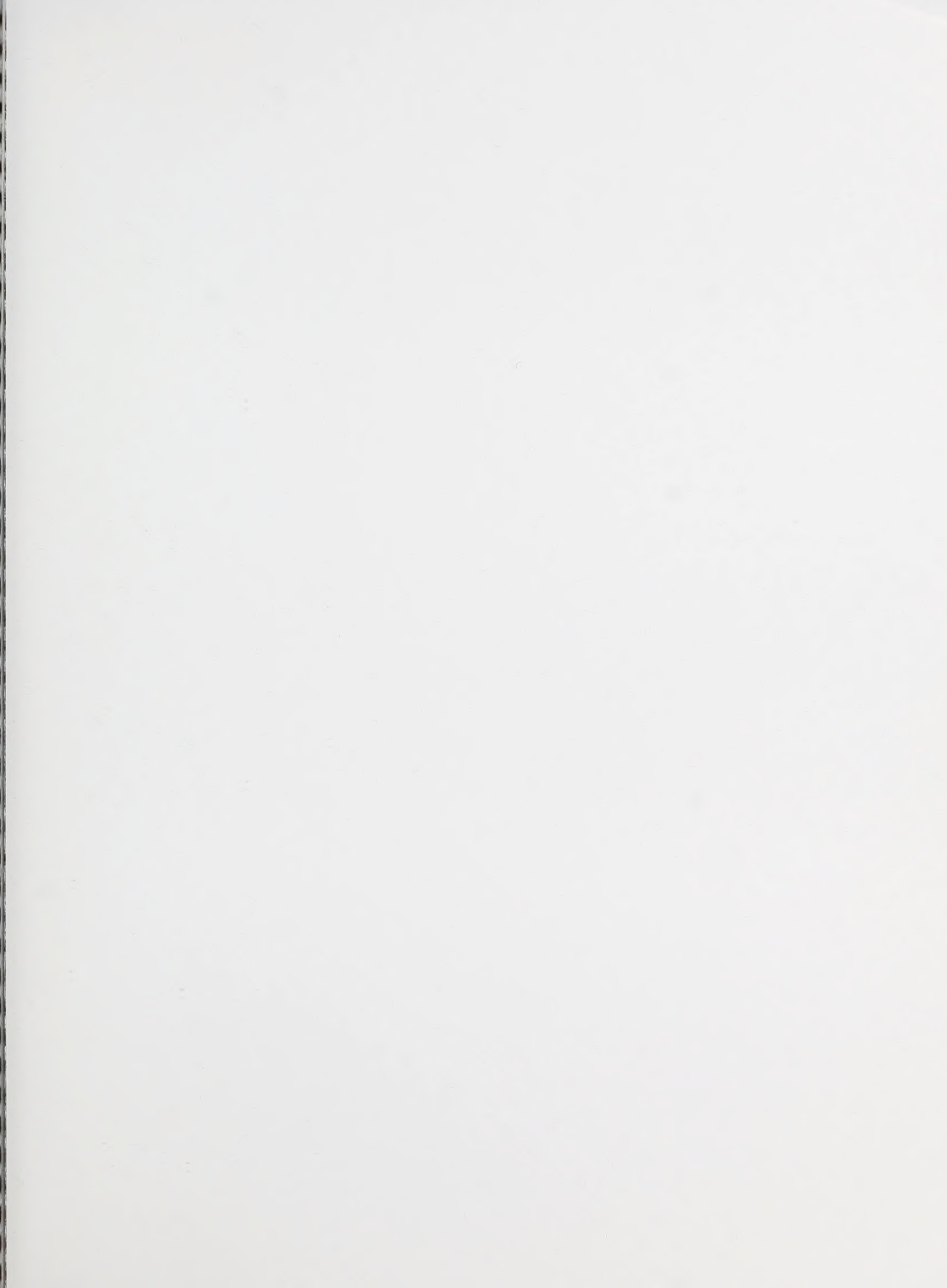
1. Having reviewed and read through the Culture and Community Spirit 2008-09 Annual Report, how would you rate it overall on the following characteristics? Using a scale of one to five, where ONE is **STRONGLY DISAGREE**, THREE is **NEUTRAL**, and FIVE is **STRONGLY AGREE**, do you agree that...*(Please circle only one rating number for each statement.)*

	Strongly Disagree		Neutral		Strongly Agree
I learned something new about the Ministry by reading this report.....	1	2	3	4	5
This annual report is easy to read.....	1	2	3	4	5
This annual report was informative and useful to me.....	1	2	3	4	5
The report has an appealing format/look	1	2	3	4	5
I can easily find information that I am looking for.....	1	2	3	4	5
I plan on using this annual report as a reference.....	1	2	3	4	5
Overall, this annual report meets my needs as a reader	1	2	3	4	5

2. What areas or features did you like the most about this annual report?
-
-

3. What areas or features would you recommend for further improvement?
-
-

Please tear out this survey and fax it to (780) 427-0255 or mail it to Culture and Community Spirit, Planning and Performance Measurement, 7th Floor, Standard Life Centre, 10405 Jasper Avenue, Edmonton Alberta, Canada, T5J 4R7



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